

(10)

TRANSCRIPT OF RECORD

SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1925

No. 609

HARTSVILLE OIL MILL, APPELLANT,

vs.

THE UNITED STATES

APPEAL FROM THE COURT OF CLAIMS

FILED JULY 20, 1925

(31,332)

(31,332)

SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1925

No. 609

HARTSVILLE OIL MILL, APPELLANT,

vs.

THE UNITED STATES

APPEAL FROM THE COURT OF CLAIMS

INDEX

	Original	Print
Record from Court of Claims.....	1	1
Petition	1	1
Exhibit No. 1—Senate resolution of March 3, 1923, referring "A bill for the relief of Rose City Cotton Oil Mill and others" to Court of Claims.....	37	20
Exhibit No. 2—Senate bill entitled "A bill for the relief of Rose City Cotton Oil Mill and others".....	38	21
Exhibit No. 3—Executive order providing for organiza- tion of U. S. Food Administration, August 10, 1917..	60	30
Exhibit No. 4—Proclamation licensing manufacturers, distributors, and dealers in staple food commodities, October 8, 1917.....	63	32
Exhibit No. 5—Rules governing cotton linters, effective July 10, 1918.....	68	35
Exhibit No. 6—Contract between Du Pont American Industries, Inc., and U. S. Ordnance Department, August 28, 1918.....	70	36
Exhibit No. 7—Contract between Du Pont America Industries, Inc., and Hartsville Oil Mill, September 26, 1918.....	81	43

	Original	Print
Exhibit No. 8—Food Administration order regulating selling prices, September 7, 1918.....	85	46
Exhibit No. 9—Proposed form of settlement between cottonseed oil mills and Government lint pool, December 10, 1918.....	88	48
Exhibit No. 10—Letter from War Industries Board to Ordnance Department re proposed form of settlement	90	49
Exhibit No. 11—Modified contract between Du Pont American Industries, Inc., and Hartsville Oil Mill, December 31, 1918.....	93	51
General traverse.....	99	54
Argument and submission.....	99	55
Findings of fact.....	100	55
Conclusion of law.....	108	64
Memorandum opinion.....	108	64
Judgment	111	66
Petition for appeal.....	111	66
Order allowing appeal.....	111	66
Clerk's certificate.....	112	67
Statement of points to be relied upon and designation by appellant of parts of record to be printed.....	113	67

[fol. 1] **IN COURT OF CLAIMS OF THE UNITED STATES**

Congressional, No. 17521

HARTSVILLE OIL MILL

vs.

UNITED STATES OF AMERICA, Defendant**I. PETITION—Filed June 13, 1923***To the Honorable the Chief Justice and the Judges of the Court of Claims:*

Your petitioner, the Hartsville Oil Mill, respectfully states and represents as follows:

I

That on March 3, 1923, the Senate of the United States passed a resolution (Senate Resolution 448) providing that Senate Bill 4479 entitled "A bill for the relief of Rose City Cotton Oil Mill and others," pending in the Senate, should be referred to the Court of [fol. 2] Claims in pursuance of an act entitled "An Act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911. A copy of said resolution is hereto attached as Exhibit 1. The Senate Bill 447 referred to in said resolution authorized and directed the Secretary of the Treasury to pay certain specific sums of money to various persons, firms, or corporations owning and operating cotton-seed oil mills producing linters and having contracts with the United States and which had been cancelled. Your petitioner is one of the corporations named in said bill, a copy of which is hereto attached as Exhibit 2.

II

That this petitioner is now, and was at all times hereinafter mentioned, a corporation organized and existing under the laws of the State of S. C., and is a citizen of said State, having its principal office for the transaction of business in the city of Hartsville, county of Darlington, and State of S. C.; that it has at all times borne true allegiance to the Government of the United States and is the sole owner of the claim herein presented, no part thereof having been assigned or transferred to any person, firm, or corporation.

III

That this petitioner is now and was at all times hereinafter stated engaged in the cotton-seed crushing industry, which involves the production of cotton linters, cotton-seed oil, cotton-seed meal, cot-

ton-seed hulls, and hull fiber. As a preliminary to the crushing of cotton seed for the production of oil, meal, and other products, it [fol. 3] is and was during the times hereinafter stated engaged in cutting off from the cotton seed the short fiber that adhered thereto after the removal of the staple cotton by the first ginning process. This short fiber is called "linters" or "cotton linters," and will hereafter be referred to as such.

That prior to May 2, 1918, it was the general custom in the entire cotton-seed crushing industry to cut an average of 75 pounds or less of such linters from each ton of seed, which linters were sold and used in stuffing mattresses, pads, horse collars, etc., and in making celluloid, felts, absorbent cotton, and other products, except that after the outbreak of the World War in 1914, some of the mills in the industry, finding that there was a market for linters of more than 75 pounds per ton of seed, produced such cut and sold it for munition purposes.

That prior to such date there was a ready demand and market for linters of the cut of 75 pounds or less to a ton of seed, and this petitioner was able to dispose of all linters of such type that it cut.

IV

That on or about the 6th day of April, 1917, the Congress of the United States of America, by a joint resolution thereof, declared that a state of war existed between "the United States and the Imperial German Government," and on or about the 7th day of December, 1917, the said Congress by joint resolution thereof declared that a state of war existed between "the United States of America and the Imperial and Royal Austro-Hungarian Government."

[fol. 4]

V

That on or about March 4, 1918, the President of the United States, in the exercise of his war powers pursuant to various acts of Congress, reorganized the War Industries Board, with certain powers formerly exercised by the predecessor War Industries Board which had been created by the Council of National Defense on or about July 28, 1917, by virtue of an act of Congress passed on or about August 22, 1916 (39 Stat. L., 649, 9 Fed. Stat. Ann., 2nd Ed., p. 1342); that the powers and duties of said War Industries Board so reorganized by the President were stated in a communication addressed to Mr. Bernard M. Baruch on or about March 4, 1918, at which time the President tendered Mr. Baruch the chairmanship of said board, which communication is in words and figures as follows:

"The White House,
Washington, March 4, 1918.

MY DEAR MR. BARUCH: I am writing to ask if you will not accept appointment as chairman of the War Industries Board, and I am going to take the liberty at the same time of outlining the functions,

the constitution, and action of the board as I think they should be now established.

The functions of the board should be:

(1) The creation of new facilities and the disclosing, if necessary the opening up, of new or additional sources of supply.

(2) The conversion of existing facilities, where necessary, to new uses.

[fol. 5] (3) The studious conservation of resources and facilities by scientific, commercial, and industrial economies.

(4) Advice to the several purchasing agencies of the Government with regard to the prices to be paid.

(5) The determination, wherever necessary, of priorities of production and of delivery and of the proportions of any given article to be made immediately accessible to the several purchasing agencies when the supply of that article is insufficient, either temporarily or permanently.

(6) The making of purchases for the allies.

The board should be constituted as at present and should retain, as far as necessary and so far as consistent with the character and purposes of the reorganization, its present advisory agencies; but the ultimate decision of all questions except the determination of prices, should rest always with the chairman, the other members acting in a co-operative and advisory capacity. The further organization of advice I will indicate below.

In the determination of priorities of production, when it is not possible to have the full supply of any article that is needed produced at once, the chairman should be assisted and, so far as practicable, guided by the present priorities organization or its equivalent.

In the determination of priorities of delivery, when they must be determined, he should be assisted, when necessary, in addition to the present advisory priorities organization, by the advice and co-operation of a committee constituted for the purpose and consisting of official representatives of the Food Administration, the Fuel Administration, the Railway Administration, the Shipping Board, and the War Trade Board, in order that when a priority of delivery has [fol. 6] been determined there may be common consistent, and concerted action to carry it into effect.

In the determination of prices the chairman should be governed by the advice of a committee consisting, besides himself, of the members of the board immediately charged with the study of raw materials and of manufactured products, of the labor member of the board, of the chairman of the Federal Trade Commission, the chairman of the Tariff Commission, and the Fuel Administrator.

The chairman should be constantly and systematically informed of all contracts, purchases, and deliveries in order that he may always have before him schematized analysis of the progress of business in the several supply divisions of the Government in all departments.

The duties of the chairman are:

(1) To act for the joint and several benefits of all the supply departments of the Government.

(2) To let alone what is being successfully done and interfere as little as possible with the present normal processes of purchase and delivery in the several departments.

(3) To guide and assist wherever the need for guidance or assistance may be revealed; for example, in the allocation of contracts, in obtaining access to materials in any way preempted, or in the disclosure of sources of supply.

(4) To determine what is to be done when there is any competitive or other conflict of interest between departments in the matter of supplies; for example, when there is not a sufficient immediate supply for all and there must be a decision as to priority of need or delivery, or when there is competition for the same source of manufacture or supply, or when contracts have not been placed in [fol. 7] such a way as to get advantage of the full productive capacity of the country.

(5) To see that contracts and deliveries are followed up where such assistance as is indicated under (3) and (4) above has proved to be necessary.

(6) To anticipate the prospective needs of the several supply departments of the Government and their feasible adjustment to the industry of the country as far in advance as possible, in order that as definite an outlook and opportunity for planning as possible may be afforded the business men of the country.

In brief, he should act as the general eye of all supply departments in the field of industry.

Cordially and sincerely yours, Woodrow Wilson.

Mr. Bernard M. Baruch, Washington, D. C."

That the said Bernard M. Baruch accepted said appointment as Chairman of said War Industries Board and continued to perform the functions and duties set forth in said letter until said Board ceased to function and was disbanded.

VI

That on or about August 10, 1917, the Congress of the United States passed what is generally known as the Food and Fuel Control Act (Public Act No. 41, 55th Congress); that in pursuance of said act, which authorized the President to issue any regulations or orders necessary to carry out its provisions, the President did on or about August 10, 1917, issue an executive order or proclamation providing for the organization of the United States Food Administration, a copy of which executive order or proclamation is hereto

[fol. 8] attached as Exhibit 3 and made a part hereof; that in pursuance of said act and exercising the power therein given, the President issued various other executive orders or proclamations from time to time to bring under license control dealers in those commodities which he and the Food Administration deemed necessary to regulate, and proclaiming and declaring that dealers in certain foodstuffs specified must secure a license from the Food Administration before doing further business; that on or about October 8, 1917, the President in pursuance of said act issued an executive order or proclamation, licensing manufacturers, distributors and dealers in staple food commodities and requiring that said manufacturers, distributors, and dealers should secure a license in order to continue the transaction of said business; that the manufacturers, distributors, and dealers in cotton-seed and the products manufactured therefrom were required by said proclamation or executive order to secure said license, and that cotton-seed and the products manufactured therefrom were thereby brought under the license control of the Food Administration. A copy of said executive order or proclamation is hereto attached as Exhibit 4 and made a part hereof.

VII

That by virtue of said act of Congress and the said executive orders and proclamations, the said Food Administration prescribed the conditions under which manufacturers, distributors, and dealers of cotton-seed and the products manufactured therefrom might operate, and that by its power to grant or withdraw licenses at discretion the said Food Administration thereupon took control of [fol. 9] the cotton-seed industry of the entire country; that the said Food Administrator decided that the importance of oils of all sorts in the war program and the acute demand for cotton-seed cake made necessary some immediate action towards stabilization of prices, and accordingly by the presidential proclamation above referred to the ginner, crushers, refiners, and dealers in cotton-seed, cotton-seed oil, cotton-seed meal and cake were placed under license on November 1, 1917, and continued to operate their business thereafter under license until said regulation was rescinded; that in compliance with said act, executive orders, proclamations, and regulations, your petitioner was given a license as a manufacturer, producer, distributor, and dealer of cotton-seed and its products, which said license was No. G-12588, and continued to operate as a licensee under such license until said executive order, proclamation, and regulation were rescinded. The said license provided that the same should be revoked in the event of the failure of the licensee to comply with any of the provisions of the Food Control Act, or any of the orders, decisions, regulations of the United States Food Administration.

VIII

That after the American entrance into the war the requirements for munition purposes made a further increased demand for linters; that in the spring of 1918 it became apparent to the Government

of the United States in the then existing state of war that the munition needs of the Government and its allies and associates in the war were absolutely dependent upon increased production of munition linters during the crushing season beginning August 1, 1918, and ending July 31, 1919. Thereupon, on or about April 4, 1918, the War Industries Board formed a special division to deal with the subject, known as the "Cotton and Cotton Linter Section," with George R. James as its chief. The said Cotton Linter Section thereupon made an investigation of the cotton-linter situation, and after a survey of the entire field found that the prospective production would be inadequate to meet the demands of the war program. The said Cotton Linter Section reported that the average annual production of linters in the five years preceding 1918 was less than one-half the prospective requirements for the year ending July 31, 1919, and reached the conclusion that it was not only necessary to increase the production of cotton linters but to limit the production to linters of munition type.

IX

By virtue of the act creating the Council of National Defense and by virtue of the action of the Council of National Defense creating the War Industries Board and by virtue of the act of the President reorganizing said Board, the said War Industries Board thereupon took control and thereafter throughout its existence continued to regulate all industry in its direct and indirect relation to the war and to the nation. It thereupon organized various sub-boards and sections for the purpose of performing its functions, and especially for procuring an adequate flow of materials for the two great war-waging agencies of the Government, to wit, the War and Navy Departments. It promulgated various rules and regulations controlling [fol. 11] supplies necessary to the military needs of the Government and its allies and associates in the war. It passed rules and regulations designed to stimulate and expand production in those industries making war essentials and to regulate, through various plans and devices, preference lists, priorities, and other methods, all industries furnishing war needs. Among the industries so regulated was that engaged in crushing cotton-seed.

X

The President of the United States at the time of the reorganization of said War Industries Board appointed a price-fixing committee, made up of a chairman, a representative of the War Department, a representative of the Navy Department, a representative of the Fuel Administration, a representative of the Tariff Commission, a representative of the Federal Trade Commission, the labor representative of the War Industries Board, and the chairman of the War Industries Board, ex officio. The said price-fixing committee was organized on or about March 14, 1918, and thereafter, under the President's authority, assumed direct responsibility to the President and

made its reports to him. Said committee advised upon the prices of basic materials, as to general price policies, and fixed prices subject to the approval of the President.

XI

That the manufacturers, distributors and dealers in cotton linters were thereafter under the control, authority and direction of the said [fol. 12] War Industries Board and the said price-fixing committee until said Board and committee ceased to function.

XII

That on or about April 12, 1918, the said Cotton Linter Section of the War Industries Board called a meeting of the representatives of the cotton-seed-crushing industry with representatives of the War and Navy Departments for the purpose of dealing with the acute situation which had been found to exist with reference to the production of cotton linters. Said meeting was held at Washington, D. C., on or about the 1st day of May, 1918, and was attended by officials of the War Industries Board, officials of the United States Ordnance Department, and by persons representing the cotton-seed crushers.

XIII

That at said meeting the cotton-seed crushers were advised of the war necessities of the Government, its Allies and Associates, and they were also advised that the War Industries Board had decided that all cotton linters must thereafter be cut of the munition type, and that all such linters must be sold to the United States through the Dupont American Industries, Inc., and to no other person, firm or corporation. They were also advised that the United States would purchase all munition linters which the producers then had on hand, and all that were to be produced thereafter during the remainder of the 1917-1918 season; and that the United States would purchase all munition linters produced during the season beginning August [fol. 13] 1, 1918, and ending July 31, 1919; and that the price which would be paid for such linters would be \$.0167 per pound.

That since September, 1915, the price of linters had been at all times more than \$.05 per pound, and at the close of the year 1916 the average price was \$.068 per pound, and on May 1, 1918, the price was considerably higher.

The crushers who attended said meeting, upon being advised of the action taken by the officials of the United States, as above set out, agreed for themselves to the conditions so imposed, and further agreed to report said action to the industry and recommend its acceptance.

XIV

That on or about May 2, 1918, the War Industries Board notified this petitioner, as well as the other cotton-seed crushers, of its action in words and figures, as follows:

1918

"The price-fixing committee of the War Industries Board has this day determined upon a price of \$4.67 per hundred pounds f. o. b. points of production on all cotton linters now in the hands of the producers (cotton-seed-oil mills), dealers in linters, warehousemen, or others than those manufacturing explosives or explosive materials, and also to apply for the linters to be produced during the next season, August 1, 1918 to July 31, 1919."

And also formulated and issued from time to time certain rules governing the manufacture of cotton linters, a copy of which rules is hereto attached as Exhibit 5 and made a part hereof.

[fol. 14] That after receiving the notification of the War Industries Board, relying upon the representation of the said officials of the United States, and believing that the United States would take all munition linters produced subsequent to May 2, 1918, up to and including July 31, 1919, the cotton oil mills began the rehabilitation of their plants, installed new machinery and equipment for the production of linters of munition type, and made provisions for storing and handling the same.

XV

That said petitioner subsequent to said May 2, 1918, cut all cotton linters of munition type, which it sold only through the Du Pont American Industries, Inc., which acted as the purchasing agent of the Procurement Division of the United States Ordnance Department, and said petitioner fully performed all obligations on its part to be performed with respect to said agreement of May 1, 1918, until ordered to cease and desist therefrom by the United States, acting through its agents, as more particularly hereinafter set forth.

XVI

That on or about May 20, 1918, Congress passed what is known as the Overman Act, being an act authorizing the President to coordinate and consolidate various executive bureaus, agencies, and offices. (Fed. Stat. Ann., 1918, Supp. 170.)

XVII

That in pursuance of said act and by virtue thereof, the President on or about May 28, 1918, issued an executive order or proclamation [fol. 15] establishing the War Industries Board as a separate administrative agency, which proclamation is in words and figures as follows:

"I hereby establish the War Industries Board as a separate administrative agency to act for me and under my direction; this is the board which was originally formed by and subsidiary to, the Council of National Defense under the provisions of an act making appropriations for the support of the Army for the fiscal year ending June 30, 1917, and for other purposes, approved August 29, 1916.

"The functions, duties, and powers of the War Industries Board, as outlined in my letter of March 4, 1918, to Bernard M. Baruch, Esquire, its chairman, shall be and hereby are continued in full force and effect.

(Signed) Woodrow Wilson."

XVIII

That on or about August 1, 1918, for the purpose of carrying into effect the foregoing plans of the United States, a cotton linter pool was formed, for the purpose of taking all linters in the hands of the crushers as at May 1, 1918, and for the further purpose of purchasing, inspecting, and distributing all cotton linters to be produced during the entire crushing season, beginning August 1, 1918, and ending July 31, 1919.

The Ordnance Department, through which the other agencies of the Government, including the Navy, were to receive their supply of cotton linters, and the various departments or boards of the other governments who were allies and associates of the United States in [fol. 16] the war, were members of the pool. As a part of the plan for the organization of the pool, the Du Pont American Industries, Inc., was appointed sole purchasing agent for the Ordnance Department, and a set of rules was formulated and adopted for the operation of the pool covering the detailed arrangement by which the participating members were to secure their supplies at uniform prices, including freight charges. In order that there should be no duplication of effort, the respective functions of the Ordnance Department and the Cotton Linter Section, with respect to the pool, were defined. Through the instrumentality of the pool, the cotton linters of the country were turned directly to war use, and the cotton-seed crushers were called upon, were compelled to, and did, obey the directions and instructions of the Ordnance Department and the Cotton Linter Section with respect to the production of linters, their allocation, storage, shipments, and all other requirements imposed by such authorities.

XIX

That subsequent to May 1, 1918, and after the formation of the cotton linter pool, the United States Ordnance Department and the Du Pont American Industries, Inc., concluded to put into a written agreement the outstanding informal agreement and contract under which the Du Pont American Industries, Inc., was then acting as the exclusive purchasing agent for the cotton linter pool, and thereafter, on or about the 28th day of August, 1918, such written contract was made, whereby the Du Pont American Industries, Inc., was appointed the sole agent of the United States Ordnance Department [fol. 17] ment to purchase all the cotton linters produced in the United States between the first day of August, 1918, and the first day of August, 1919, with full power to make contracts for such purchases either in the name of the Government or in its own corporate

name as agent for the Government; that by the terms of said agreement the said agent was directed to pay the price of \$4.67 per hundred pounds, which had been fixed by the price fixing committee heretofore referred to and which price had become effective on May 2, 1918. A copy of said contract is hereto attached as Exhibit 6 and made a part hereof.

XX

That on or about the 2nd day of September, 1918, Du Pont American Industries, Inc., acting as a Government agent and exercising the powers and duties conferred upon it by the contract hereinabove last referred to, sent to this petitioner and to all other producers engaged in the cotton-seed crushing industry a printed form of contract, with directions to this petitioner to execute the same; that by the terms of said printed contract so sent to this petitioner the United States of America, acting by Du Pont American Industries, Inc., agreed to purchase from this petitioner 4,500 bales of cotton linters, being approximately 2,250,000 pounds, at a price of 4.67 cents per pound, being the price fixed by the War Industries Board May 2, 1918. The said contract contained provisions as to the kind of material purchased, as to inspection, shipping instructions, etc., and was identical with other contracts sent at the same time to all other cotton-seed crushers, excepting as to the amount of [fol. 18] linters, place of delivery, time of shipment, etc.: that the quantity of linters stated in said contract was estimated to be all the cotton linters which would be produced by the petitioner during the crushing season beginning August 1, 1918, and ending July 31, 1919, and that the amounts stated under the caption, "time of shipment," were the amounts which were to be shipped during monthly periods extending over the entire crushing season. A copy of said contract is hereto attached as Exhibit 7 and made a part hereof.

XXI

That when the said printed form of contract was presented to the Cotton Seed Crushers' Association for signature, objection was made to it on the ground that it contained a cancellation clause, providing that it could be cancelled upon the "termination of the present war." But this petitioner, however, signed the contract with the cancellation clause therein, relying upon the agreement of the Government of the United States to take the entire output of cotton linters for the season 1918-1919, which was embodied in the printed agreement. After the signing of said printed agreement, this petitioner continued to produce cotton linters under the terms of said agreement; and this petitioner faithfully performed all the obligations in the said agreement on its part to be performed and as therein provided, and continued to cut linters as directed by the War Industries Board and the Ordnance Department and to follow the rules and directions of the Ordnance Department and the Cotton Linter Section of the War Industries Board until ordered to cease and desist as hereinafter more fully set forth.

[fol. 19]

XXII

That this petitioner and all other cotton-seed crushers during the period during which they were performing said contract operated under licenses from the said Food Administration and were compelled to conduct their operations according to the rules and provisions of said Food Administration; that on or about July 1, 1918, the said Food Administration put into effect a system or scheme known as the stabilized scheme of prices for cotton-seed and its products, and fixed a price which the cotton-seed crushers were to pay for cotton-seed at \$70.00 per ton based on a production of 41 gallons of crude cotton-seed oil to be produced from each ton of seed crusher; that in fixing or adopting said scheme the said Food Administration divided the cotton-producing territory into zones and determined the yields and prices that should be effective for the seed-crushing season of 1918-1919.

That this petitioner and the other cotton-seed crushers were compelled to pay the prices therein set forth as a condition of remaining in business and keeping their licenses; that the Food Administration on or about September 7, 1918, promulgated an order or regulation addressed to all the crushers of cotton-seed and the purchasers of products thereof, further fixing the selling price of the products derived by crushing and establishing a stabilized price scale for the purchase and sale of cotton-seed and its products, and fixing the spread and profit which the cotton-seed crushers were to receive. A copy of said order and regulation, which is known as Circular No. 49, is hereto attached as Exhibit 8 and made a part hereof. [fol. 20] The schedule of prices, therefore, so adopted and fixed by the United States through its war agencies and affecting the purchase of cotton-seed and the crushing of the same and the disposition of the products thereof for every ton of seed crushed during the season 1918-19, is as follows:

Crusher to pay farmer.....	\$70.00	
Freight	2.00	
Cost of crushing operation (Spread).....	15.50	
Profit	3.00	
Sale price of oil.....	\$53.80	
Sale price of meal.....	26.38	
Sale price of hulls.....	3.55	
Sale price of linters (to be bought by Government)	6.77	
	<hr/>	<hr/>
	\$90.50	\$90.50

This petitioner, therefore, and all others engaged in the cotton-seed crushing industry continued to perform their agreement with the United States, while at the same time they were compelled to purchase the cotton-seed and sell the products thereof at the prices fixed by the United States through its various agencies. Although the price of all materials and labor had greatly increased, due to

war activities, this petitioner was allowed, in said schedule and under the regulations of the Food Administration and the War Industries Board, a limited operating cost within the limits fixed by the rules and regulations above referred to irrespective of the actual cost, and under said rules it was allowed a gross profit upon a ton of cotton-seed from all the products combined of only \$3.00 per ton of seed crushed.

[fol. 21]

XXIII

That the United States thereupon, through its various agencies above set forth and various representatives located in different States and through special emissaries, sent to the cotton-producing territory, by letters, advertisements, speeches, and other propaganda, urged the cotton producers throughout the entire country to make unusual efforts to produce a large amount of cotton during the season 1918-19, assuring them that a stabilized price had been fixed by the Government of the United States and that the farmers and others would receive \$70.00 per ton based on the oil content of the seed produced, and the cotton-seed crushers in the entire industry, relying upon their agreements with the United States and relying upon the stabilization scheme which had been fixed, made commitments in their various localities, and obligated themselves to take all the seed that would be produced during said season at said fixed price of \$70.00 per ton. Because of the agreements made by the United States with the cotton-seed crushers and because of the stabilization scheme, cotton-seed became a staple commodity, upon which loans could be secured from the banks, and many banking institutions, throughout the cotton-producing territory, relying upon the good faith of the Government, the stabilization scheme and the specific agreement of the United States, made with the cotton-seed crushers, loaned large sums of money in order to encourage a maximum production of cotton. Mercantile and manufacturing industries likewise extended large credits based upon the good faith of such agreements and war program. Manufacturing, mercantile, and banking institutions loaned large sums of money and extended large credits to the cotton-seed oil mills, upon being shown the agreements with the United States and evidence of the possession of great quantities of such commodity, which had been made staple by the actions of the Government.

XXIV

That pursuant to said agreement which this petitioner had with the Government of the United States through the agencies above set forth, and acting upon the orders of the various departments of the Government above referred to, this petitioner continued to crush seed and to produce linter therefrom as in said contract provided and in full compliance with the instructions of said governmental departments and in compliance with the said agreements and understandings above set forth, paying for the cotton-seed at the rate of \$70.00 per ton as fixed by the rules and provisions of the Food Ad-

ministration and selling the products therefrom at the rates also fixed by the rules of the departments, and in good faith made commitments for the entire crushing season, having equipped their mills to take care of the entire requirements of the Government, and continued to fully perform all the obligations on its part to be performed during the whole period from August 1, 1918, to July 31, 1919, inclusive, except as they were precluded from so doing by the orders, instructions, and requirements of the United States.

XXV

That on or about the 11th day of November, 1918, an armistice [fol. 23] was duly signed between the United States and its Allies, on the one hand, and the Imperial German Government and its Allies, on the other hand, whereby hostilities were suspended. Said armistice was a truce between the nations at war, and was not a "termination of the present war," but was an agreement for suspending military operations by mutual agreement of the belligerents pending negotiations for the purpose of concluding a treaty of peace. The war still continued for several months after the signing of said armistice, during which time the armed forces of the United States were in enemy territory, military operations were continued and the signing of said armistice in nowise prevented the resumption of hostilities between the belligerents in case a treaty of peace was not agreed upon.

XXVI

That on or about the 28th day of November, 1918, the War Industries Board, acting in conjunction with and for the benefit of the Ordnance Department, notified all engaged in the cotton-seed crushing industry, including this petitioner, to change their cut of linters to the commercial grade; that said War Industries Board delivered a letter to Louis N. Geldert, Secretary of the War Service Committee of the Interstate Cotton-seed Crushers Association, who was acting as the Washington representative of this petitioner and all other cotton-seed crushers, which said letter is in words and figures as follows:

"Your are requested to notify all of your cotton-seed oil mills to discontinue the cutting of munition linters and to reduce the cut to 75 pounds or less at the earliest possible moment. When reduction [fol. 24] in cut is begun an accurate record of seed crushed and linters produced should be made and preserved pending definite and final arrangement for the discharging of all obligations of the Government linter pool to the mills and the removal of all rules and restrictions now in force. This request is made to avoid as much as possible an obvious economic waste, and is at the suggestion of officials of the Ordnance Department. It is hoped that a prompt and definite plan for the settlement can be offered in a few days.

(Signed) George R. James, Chief Cotton and Cotton Linters Section."

Thereupon, the said Louis N. Geldert immediately notified this petitioner and all other mills engaged in the cotton-seed crushing industry, of the direction so given by the War Industries Board.

XXVII

That subsequent to the mills receiving notification as above set forth, the crushers organized a committee to deal with the situation, which committee was known as the Linter Committee and will hereafter be referred to as such; that said Committee, being in doubt as to what "definite and final arrangements for discharging all obligations of the Government" were to be made, and what changes were to be made in the rules and restrictions governing said industry then in force, went to the City of Washington, and had numerous conferences with the War Industries Board, the Ordnance Department, and the Food Administration with reference to the situation. In the numerous discussions and negotiations held between the [fol. 25] Linter Committee and the officials of the Ordnance Department, the Government officials took the position that there was "a termination of the present war." Various propositions were submitted by the officials of the Government to the Linter Committee and by the Linter Committee to the officials of the United States. On or about the 10th day of December, 1918, the said Linter Committee submitted a final proposition for the United States discharging all obligations under its agreement with the cotton-seed crushers upon the basis of the Government agreeing to take all linters produced to December 21, 1918, at the fixed price of \$4.67 per hundredweight f. o. b. mills point of production, the mills to change their linter production not later than said date to types known as mattress linters, which were to be sold at a price to be fixed by the War Industries Board, and to produce to the mills \$6.77 per ton of seed crushed, (which was the amount guaranteed the mills for their linter output for the entire season by the War Industries Board and the amount figured in the seed prices paid and to be paid the farmers under the Food Administration's plan of stabilization,) and providing that the Government linter pool should be obligated to buy at the end of the season, July 31, 1919, all stocks of linters in the hands of the original producers according to the agreed-upon grades and at prices that would compensate the mills for any loss below the fixed \$5.77 per ton of seed. A copy of said proposition is hereto attached as Exhibit 9. Said proposition was approved by Mr. George R. James, the chief of the Cotton Linter Section of the War Industries Board, as being eminently fair, and after a conference of the committee representing the producers with Mr. Bernard M. Baruch, the chairman of the Board, he likewise gave the proposition his full endorsement. The proposition was then submitted to the officials of the Food Administration, who likewise gave it their sanction and approval. The proposition thus became the joint recommendation of the mills, the War Industries Board, the Food Administration, and as such was submitted to the Ordnance Department. Attached hereto as

Exhibit 10 and made a part hereof is a copy of the letter of approval transmitted by the War Industries Board to the Ordnance Department, which rejected such proposal.

XXVIII

That on or about the 21st day of December, 1918, the War Industries Board ceased to function and was disbanded. A few days prior thereto, the Linter Committee had been notified that the War Industries Board would no longer function after said date and that all negotiations for the settlement of the obligations of the Government must in the future be carried on with the United States Ordnance Department. Other negotiations and conferences were undertaken by and between the Linter Committee and the officials of the Ordnance Department, with the final result that on or about the 30th day of December, 1918, the Linter Committee, together with numerous others interested in the cotton-seed-crushing industry, assembled at Washington. On said date the Ordnance Department made a final proposition, to the effect that the United States would take all munition linters which had been cut prior to December 31, 1918, and then in the hands of the crushers, at the price stated in the printed agreement, which would net the crushers \$6.77 per ton of seed crushed; that the cotton-seed crushers after January 1, 1919, would cut no munition linters and would [fol. 27] cut only commercial linters which they were permitted to sell to other purchasers; that the United States would take from the crushers whatever linters remained on hand and unsold on July 31, 1919, provided the total quantity did not exceed 150,000 bales, at prices estimated to net the crushers \$6.77 per ton of seed crushed. The said Linter Committee was on said date about 5:30 o'clock in the afternoon advised that they would be given until 7:00 o'clock that evening to state whether or not they would accept said proposition, and that in case they declined to execute a modified contract in accordance with said proposition notices of cancellation would be wired the mills by the Ordnance Department at 7:00 p. m. sharp on said day. They were also advised that unless they accepted said proposition the Ordnance Department would decline to accept from any of the crushers any linters whatever, including those linters then on hand which had been inspected and tagged by the United States.

XXIX

That at the time said proposition was made the agreement between the United States and this petitioner and other cotton-seed crushers was in full force and effect; that the threatened action of the officials of the Ordnance Department to cancel said contract would have resulted in the collapse of the stabilization scheme and the financial failure and bankruptcy of many of the cotton-seed crushers and of banks which had advanced loans to them, and in widespread loss to seed buyers, refiners, farmers, merchants, and others associated with the cotton-seed industry; that the entire business fabric of the South

[fol. 28] would have been affected; that the action of said officials induced the cotton-seed crushers and the committee representing them to believe and fear that said stabilization and scheme of prices would fail, resulting in said loss. And that the Food Administration advised the crushers that if they failed to pay \$70.00 per ton for seed, as fixed by the said Food Administration, that the Food Administration would no longer maintain the stabilized scale of prices for the sale of the products of the crushers, great quantities of which the crushers had on hand manufactured out of seed for which they had paid \$70.00 per ton, thus producing a great financial loss and embarrassment that no prudent business man could stand; that said cotton-seed crushers, including this petitioner, had made commitments to farmers, seed buyers, merchants and others, whereby they were to purchase the entire crop of cotton-seed for the season of 1918-1919 at the said rate of \$70.00 basis per ton of seed; that they could not pay said price or carry out their obligations if the price of oil, meal and hulls was stricken down, and that they could not continue to operate if said stabilization scheme was discontinued; that said cotton-seed crushers had represented to the farmers that the farmers would receive \$70.00 basis for each and every ton of seed produced during the season of 1918-19 no matter whether it was brought to the market early or late, and had, in reliance upon their agreement with the Government and in order to avoid economic waste, which would result in the seed piling up in the hands of the crushers sooner than they could crush it, asked the farmers to hold back the seed until the mills could handle it; that to have refused to pay the farmer the stabilized price of seed would have [fol. 29] meant a violation of their obligation to the farmer and the breaking of promises made during the war emergency at the request of the Government to have the farmers increase production. Said crushers were dependent upon the good will of the farmers of their sections to continue in business; that said cotton-seed crushers were unable to pay said price to the farmers for the balance of the season and absorb the loss in case of the cancellation of said contract; that the officials of the Ordnance Department in threatening to exercise such arbitrary power led this petitioner and other cotton-seed crushers to believe that their business was in imminent danger of loss and destruction; that at the time said threat was made the cotton-seed crushers had on hand linters which had been cut in compliance with the orders of the Government, amounting to about 270,000 bales and in value worth between six and seven million dollars; that much of it had been inspected and tagged by the Government; that the threatened refusal of the Government to take even such linters induced the fear of ruination and bankruptcy; that at said time the cotton-seed crushers had about 1,000,000 tons of seed on hand which had not been crushed, and that there were in the hands of the farmers about 480,000 tons of seed; that cotton-seed crushing is a seasonal business and the seed will rot and the oil content will be reduced if the seed is not crushed within a reasonable time after it is ginned, all of which facts were duly known to the officials of the Ordnance Department; that the said Cotton Linter Committee and the other

representatives of the cotton-seed crushing industry, as well as bankers, merchants and others who were present in Washington at the time, believed that the threat of those clothed with official authority, [fol. 30] if exerted, would destroy and damage the business of the cotton-seed crushers and would result in a financial crash, which would have disrupted the entire business fabric of many of the States of the South; that a refusal of the mills to pay the farmers the stabilized price would have been a breaking of faith with the entire business community upon which the good will of the mills' business life depended; that even those mills which were able temporarily to finance the loss could not have done so without shouldering a burden too hazardous for any prudent man to undertake; that the action of the officials of the Government constituted legal duress and that the parties were not on equal terms; that the representatives of this petitioner and others, after a hurried conference, therefore notified the Ordnance Department that said proposition was accepted. This was done, however, under protest and for the sole reason that no alternative was offered.

XXX

That on the same day, to-wit: December 30, 1918, the said Ordnance Department notified this petitioner and the other cotton-seed crushers by telegram that the contract which this petitioner had for the sale of linters to the United States was cancelled. A copy of said telegram is in words and figures as follows:

"Washington, D. C., December 30, 1918. Your contract for linters with Du Pont American Industries, Agent for United States Ordnance Department, is cancelled. Your committee has tentatively agreed upon a form of settlement contract. Reply Major Hawkins, Contract Section, Procurement Division."

[fol. 31] That on or about January 2, 1919, the said Ordnance Department issued instructions to the Du Pont American Industries, Inc., with reference to the modified contract, containing, among other things, the following:

"If any producer declines to execute such instrument, the Ordnance Department will authorize you to decline to accept from such producer any linters whatever, and the United States will reimburse you for any proper expenditures and costs incurred or resulting by reason of such action on your part."

XXXI

That a copy of said letter of January 2, 1919, together with a printed form of a modified contract was thereupon sent to this petitioner and the other cotton-seed crushers, all of whom were familiar with the negotiations which had been conducted and all of whom understood that there was no alternative except to execute the same;

that this petitioner under the circumstances hereinabove set forth did execute said modified contract, a copy of which is hereto attached as Exhibit 11 and made a part hereof; that said modified contract was signed under legal duress and solely because of the threat made by the officials of the United States, all as more fully above set forth; that there was no consideration whatever passing from the United States to this petitioner for said modified contract; that the United States neither paid any money nor parted with any other consideration whatever to this petitioner and undertook no obligation greater than it already had under the original printed contract; that it has not paid to this petitioner any sums which petitioner was not entitled [fol. 32] to receive under the original agreement; that this petitioner received no benefit whatever from said modified contract to which it was not entitled under the original agreement; that the United States assumed no liability under the modified contract additional to what it had under the original agreement.

XXXII

That this petitioner has fully performed all the obligations on its part to be performed under the understanding had with the United States on May 1, 1918, and also under the printed agreement entered into on or about September, 1918, except as it has been obstructed and prevented from so doing by the United States; that it has at all times taken every precautionary and needful step to minimize losses which would accrue and which were occasioned by the default of the United States; that the United States has, however, failed, neglected, and refused to perform the obligations on its part to be performed under said agreements, but that while the United States has taken and paid for all the linters which this petitioner produced during the year 1918, it has failed, neglected, and refused to make payments for linters produced from the seed crushed during the period from January 1, 1919, to August 1, 1919. That the United States has further failed to pay to this petitioner or to any one for or on its behalf the storage charges upon linters produced during said period from January 1, 1919, to August 1, 1919, as it had agreed to do under said written agreement; that the United States has failed, neglected, and refused to pay to this petitioner or to any one for or on its behalf the insurance charges upon linters produced during [fol. 33] said period from January 1, 1919, to August 1, 1919, as in said agreement provided; that the United States because of its failure to take from this petitioner the linters produced by it for the period beginning January 1, 1919, to August 1, 1919, made it necessary for this petitioner in order to preserve said linters and to minimize the loss occasioned by said default of the Government, to rebale, recondition, and handle said linters from time to time, all of which charges and payments made by this petitioner were occasioned by the failure, refusal, and neglect of the United States to carry out its contracts; that under the terms of said understanding and agreement between the United States and this petitioner all of the linters produced during the entire period of the crushing season, including the period from January 1, 1919, to August 1, 1919, was to be sold to the Gov-

ernment f. o. b. mills point of production, and this petitioner was to assume no part of the selling cost, the United States having agreed to pay to the Du Pont American Industries, Inc., a commission for purchasing said linters for the United States; that this petitioner in order to minimize the loss occasioned by the failure, neglect, and refusal of the Government to carry out its contract sold to others than the Government certain of said linters after the United States had refused to take the same, and that this petitioner should receive from the United States the selling cost of such linters so sold.

Petitioner further says, under the terms of the said agreements by and between the United States and this petitioner, that the linters produced during the entire period of the crushing season, including the period from January 1, 1919, to August 1, 1919, the United [fol. 34] States was to purchase said linters f. o. b. mills points of production, and that the freight charges on the same were to be equalized among the allocates, and that this petitioner was not to bear or assume any of said charges, but that because of the failure, neglect, and refusal of the Government to faithfully perform its contract and because petitioner was compelled to sell certain of said linters to others during said period from January 1, 1919, to August 1, 1919, petitioner was compelled to pay the freight charges on said linters so sold, and said freight charges should be borne and paid by the United States and this petitioner given reimbursement for the same.

Petitioner further states that it has received from the United States certain sums of money for linters produced during the period January 1, 1919, to August 1, 1919, being all the linters which the said United States consented to take, and that it has also received certain moneys for linters produced by it during the period from January 1, 1919, to August 1, 1919, and which it sold to others, at the best market price, than the United States Government in order to minimize the losses.

XXXIII

Petitioner, therefore, submits the following as its claim against the defendant, the United States of America:

For seed crushed during the priod Jan. 1, 1919, to Aug-	
ust 1, 1919, 10,180 tons at \$6.77 per ton	\$68,918 60
" storage charges upon linters produced during said	
period	1,955 50
" insurance charges upon linters produced during	
said period	None.
" reconditioning charges upon linters produced	
during said period	None.
[fol. 35]	
For selling cost of linters produced during said period	
and sold to others than the United States	None.
" handling charges of linters produced during said	
period and sold to others than the United States . .	None.
" freight charges on linters produced during said	
period and sold to others than the United States .	None.
	<hr/>
	\$70,874.10

Amount received from United States for linters produced during the period from January 1, 1919, to August 1, 1919	\$62,193.80	
" received for linters produced and sold to others than the United States	757.35	62,951.15
Total balance claimed by petitioner	\$7,922.95	

XXXIV

Your petitioner further says that there are no claims liquidated or unliquidated of any kind or description existing in favor of the United States against your petitioner, which the said United States can set-off or counter-claim against this petitioner, and that by reason of the foregoing facts your petitioner is entitled to receive from the United States the total sum of \$7,922.95.

Wherefore, your petitioner has filed this its petition in this honorable court in order that it may make an investigation of all the facts relating to petitioner's claim against the United States, and prays this honorable court that it may take such action as is proper under the provisions of the Act of March 3, 1911, known as the Judicial Code, and that it proceed in accordance with the provisions of section [fol. 36] 151 of said act and report to the Senate of the United States in accordance therewith.

Your petitioner further prays that this honorable court find that this petitioner might have presented its claim or brought its action under existing law and prosecuted the same to judgment, irrespective of the reference of the same to this court by the Senate, and that this court may find that this petitioner has so presented its claim, and that it may further find that the United States is indebted to this petitioner in the sum of \$7,922.95, and that the same may be decreed to be a judgment against the United States in favor of this petitioner.

Huntsville Oil Mill, by J. J. Lawton, Pres.

Duly sworn to by J. J. Lawton. Jurat omitted in printing.

[fol. 37]

EXHIBIT 1 TO PETITION
67th Congress, 4th Session
S. Res. 448

In the Senate of the United States

February 24, 1923.—Mr. Robinson, from the Committee on Claims, reported the following resolution; which was placed on the calendar.

March 3, 1923.—Considered and agreed to.

Resolution

Resolved, That the bill (S. 4479) entitled "A bill for the relief of Rose City Cotton Oil Mill and others," now pending in the Senate, together with all the accompanying papers, be, and the same is hereby, referred to the Court of Claims, in pursuance of the provisions of an Act entitled "An Act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911; and the said court shall proceed with the same in accordance with the provisions of such Act and report to the Senate in accordance therewith.

[fol. 38]

EXHIBIT 2 TO PETITION

67th Congress, 4th Session

S. 4479

In the Senate of the United States

February 5, 1923.—Mr. Robinson introduced the following bill; which was read twice and referred to the Committee on Claims.

March 3, 1923.—Ordered printed, showing amendments agreed to.

A Bill

For the Relief of Rose City Cotton Oil Mill and Others

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the following persons, firms, or corporations owning and operating cottonseed oil mills producing linters which entered into contracts with the United States of America, through the agency of the United States Ordnance Department, which contracts were canceled by said Ordnance Department, the several sums set opposite their names, to wit:

[fol. 39]

2

Rose City Cotton Oil Mill, Little Rock, Arkansas, \$24,477.39.
 Little Rock Cotton Oil Mill, Little Rock, Arkansas, \$15,542.75.
 Home Oil and Manufacturing Company, Augusta, Arkansas, \$5,244.92.
 El Dorado Oil Mill and Fertilizer Company, El Dorado, Arkansas, \$10,170.19.
 Forest City Cotton Oil Mill, Forest City, Arkansas, \$18,471.80.
 New South Oil Mill, Helena, Arkansas, \$15,502.06.
 United Oil Mills, Hope, Arkansas, \$37,621.14.
 Roberts Cotton Oil Mill, Jonesboro, Arkansas, \$34,310.19.
 Columbia Cotton Oil Company, Magnolia, Arkansas, \$14,682.25.
 Marianna Cotton Oil Company, Marianna, Arkansas, \$38,277.33.

Pine Bluff Cotton Oil Mill, Pine Bluff, Arkansas, \$25,269.58.
 Searcy Cotton Oil Mill, Searcy, Arkansas, \$22,642.23.
 Phoenix Cotton Oil Company, Walnut Ridge, Arkansas, \$14,538.09.

Warren Cotton Oil and Manufacturing Company, Warren, Arkansas, \$12,582.64.

[fol. 40]

3

Wilmot Oil Mill, Wilmot, Arkansas, \$9,554.87.
 Attalla Oil and Fertilizer Company, Attalla, Alabama, \$11,521.18.
 Farmers and Ginners Cotton Oil Company, Birmingham, Alabama, \$32,958.09.

Magic City Cotton Oil Company, Birmingham, Alabama, \$7,413.15.

Boaz Cotton Oil Company, Boaz, Alabama, \$10,075.40.
 Dadeville Oil and Gin Company, Dadeville, Alabama, \$1,298.95.
 Home Oil Mill, Decatur, Alabama, \$27,444.95.
 Eufaula Cotton Oil Company, Eufaula, Alabama, \$5,293.57.
 Huntsville Warehouse Company, Huntsville, Alabama, \$483.58.
 Clay County Oil Mill and Fertilizer Company, Lineville, Alabama, \$1,363.86.

Dixie Cotton Oil Company, Montgomery, Alabama, \$5,162.70.
 National Cotton Oil Company, Montgomery, Alabama, \$13,074.62.
 Alabama Oil and Guano Company, Opelika, Alabama, \$8,594.95.
 Mutual Cotton Oil Company, Ozark, Alabama, \$7,688.61.

[fol. 41]

4

Roanoke Oil Company, Roanoke, Alabama, \$11,082.50.
 Sulligent Cotton Oil Company, Sulligent, Alabama, \$5,106.07.
 Planters Chemical and Oil Company, Talladega, Alabama, \$14,450.04.

Tuscaloosa Cotton Seed Oil Company, Tuscaloosa, Alabama, \$14,150.41.

Macon County Oil Company, Tuskagee, Alabama, \$2,970.22.
 Farmers Cotton Oil Trading Company, Uniontown, Alabama, \$9,329.10.

Wedowee Oil Mill, Wedowee, Alabama, \$2,019.10.
 Globe Cotton Oil Mills, Los Angeles, California, \$17,189.86.
 Planters Oil Company, Albany, Georgia, \$49,195.50.
 Americus Oil Company, Americus, Georgia, \$19,098.86.
 Farmers Cotton Oil Company, Americus, Georgia, \$17,717.05.
 Ashburn Oil Mill, Ashburn, Georgia, \$12,222.10.
 Hodgson Oil Refining Company, Athens, Georgia, \$22,440.77.
 Empire Cotton Oil Company, Atlanta, Georgia, \$142,787.20.

[fol. 42]

5

Swift and Company, Oil Mill, Atlanta, Georgia, \$36,307.05.
 International Vegetable Oil Company, Augusta, Georgia, \$47,858.96.

Planters Cotton Oil Company, Augusta, Georgia, \$41,362.05.

Swift and Company, Oil Mill, Augusta, Georgia, \$30,900.44.
 Bowden Oil and Fertilizer Company, Bowden, Georgia, \$2,774.29.
 Mandeville Mills, Bremen, Georgia, \$10,728.08.
 Calhoun Oil and Fertilizer Company, Calhoun, Georgia, \$3,404.59.
 Mandeville Mills, Carrollton, Georgia, \$17,507.12.
 Home Mixture Guano Company, Columbus, Georgia, \$13,761.42.
 Farmers Oil Mill, Commerce, Georgia, \$8,718.50.
 Patrick Oil Company, Conyers, Georgia, \$6,757.52.
 Covington Cotton Oil Company, Covington, Georgia, \$24,142.03.
 Hodgson Oil Refining Company, Crawford, Georgia, \$3,337.61.
 Marion Harper Cotton Oil Company, East Point, Georgia, \$52,-
 225.50.

[fol. 43]

6

Elberton Oil Mills, Elberton, Georgia, \$16,656.27.
 Hodgson Oil Refining Company, Farmington, Georgia, \$3,806.61.
 Grantville Oil Mill, Grantville, Georgia, \$7,485.57.
 Greenville Cotton Oil and Manufacturing Company, Greenville,
 Georgia, \$8,148.46.
 Griffin Oil Company, Griffin, Georgia, \$30,069.
 Walker Brothers Company, Griffin, Georgia, \$14,744.51.
 Hartwell Oil Mill, Hartwell, Georgia, \$3,427.26.
 Hazelhurst Cotton Oil Mill, Hazelhurst, Georgia, \$21,184.50.
 Farmers Cotton Oil Company, La Grange, Georgia, \$10,711.95.
 Albott Manufacturing Company, Louisville, Georgia, \$1,478.14.
 Central Oil Company, Macon, Georgia, \$19,461.65.
 Maysville Oil Mill, Maysville, Georgia, \$1,868.95.
 Milledgeville Oil Mills, Milledgeville, Georgia, \$16,222.16.
 Monroe Oil and Fertilizer Company, Monroe, Georgia, \$10,589.18.
 Coweta Oil Mill, Newman, Georgia, \$4,885.74.
 Ocilla Oil and Fertilizer Company, Ocilla, Georgia, \$8,098.33.

[fol. 44]

7

The Richland Cotton Oil Company, Richland, Georgia, \$3,632.52.
 Lookout Oil and Refining Company, Rome, Georgia, \$15,847.20.
 Farmers Oil Mill, Royston, Georgia, \$9,823.79.
 Rutledge Oil Company, Rutledge, Georgia, \$2,934.44.
 International Vegetable Oil Company, Savannah, Georgia, \$57,-
 440.69.
 Washington Cotton Oil Company, Tennille, Georgia, \$33,211.38.
 Upson County Oil Mill, Thomaston, Georgia, \$7,679.61.
 McDuffie Oil and Fertilizer Company, Thomson, Georgia, \$6,-
 128.65.
 Vidalia Cotton Oil Mill Company, Vidalia, Georgia, \$6,710.41.
 Villa Rica Cotton Oil Company, Villa Rica, Georgia, \$4,405.90.
 Pope Manufacturing Company, Washington, Georgia, \$6,315.82.
 Winder Oil Mill, Winder, Georgia, \$5,036.39.

McNair-Young Company, Wrens, Georgia, \$10,615.84.
 Roberts Cotton Oil Company, Cairo, Illinois, \$12,891.51.

[fol. 45]

8

East St. Louis Cotton Oil Company, National Stock Yards, Illinois, \$89,106.93.

Cotton Seed Products Company, Louisville, Kentucky, \$33,563.28.

Alexandria Cotton Oil Company, Alexandria, Louisiana, \$55,543.35.

Red River Oil Company, Alexandria, Louisiana, \$30,234.20.

Arcadia Cotton Oil Mills and Manufacturing Company, Arcadia, Louisiana, \$1,552.10.

Peoples Cotton Oil Company, Lafayette, Louisiana, \$3,915.48.

Desota Cotton Oil Company, Mansfield, Louisiana, \$2,939.14.

Natchitoches Cotton Oil Company, Natchitoches, Louisiana, \$4,756.67.

Ruston Oil Mills and Fertilizer Company, Ruston, Louisiana, \$6,060.46.

Caddo Cotton Oil Company, Shreveport, Louisiana, \$4,183.59.

Henderson Cotton Oil Company, Shreveport, Louisiana, \$56,762.82.

Tallulah Cotton Oil Company, Tallulah, Louisiana, \$39,299.20.

[fol. 46]

9

Vidalia Oil and Ice Company, Vidalia, Louisiana, \$21,540.07.

Grenada Oil Mill, Belzoni, Mississippi, \$16,967.52.

Brookhaven Cotton Oil and Fertilizer Company, Brookhaven, Mississippi, \$12,068.58.

Planters Manufacturing Company, Clarksdale, Mississippi, \$54,145.86.

Coldwater Cotton Oil Company, Coldwater, Mississippi, \$10,620.84.

Corinth Oil Mill, Corinth, Mississippi, \$11,506.16.

Grenada Oil Mill, Crenshaw, Mississippi, \$13,067.76.

Friars Point Oil Mill and Manufacturing Company, Friars Point, Mississippi, \$7,299.20.

Glen Allen Oil Mill, Glen Allen, Mississippi, \$18,662.45.

Delta Cotton Oil Company, Gowdy, Mississippi, \$18,221.16.

Grenada Oil Mill, Grenada, Mississippi, \$7,765.92.

Delta Cotton Oil Company, Greenville, Mississippi, \$25,672.72.

Planters' Oil Mill and Manufacturing Company, Greenwood, Mississippi, \$32,505.94.

Meridian Fertilizer Factory, Hattiesburg, Mississippi, \$15,848.83.

Hazlehurst Oil Mill and Fertilizer Company, Hazlehurst, Mississippi, \$25,326.99.

[fol. 47]

10

Hollandale Cotton Oil Mill, Hollandale, Mississippi, \$21,776.12.
 Indianola Cotton Oil Company, Indianola, Mississippi, \$20,-
 712.26.

Central Cotton Oil Company, Jackson, Mississippi, \$10,352.26.
 Planters Oil and Gin Company, Kosciusko, Mississippi, \$28,-
 808.24.

Laurel Oil and Fertilizer Company, Laurel, Mississippi, \$10,-
 625.91.

Imperial Cotton Oil Company, Macon, Mississippi, \$7,236.58.

Eagle Cotton Oil Company, Meridian, Mississippi, \$17,101.51.

Natchez Oil Mill, Natchez, Mississippi, \$6,556.09.

Newton Oil Mill, Newton, Mississippi, \$18,903.32.

Pontotoc Cotton Oil Company, Pontotoc, Mississippi, \$9,353.67.

Bolivar Cotton Oil Company, Shelby, Mississippi, \$9,939.01.

Starksville Cotton Oil Company, Starksville, Mississippi, \$9,-
 087.79.

Webb-Summer Oil Mill, Summer, Mississippi, \$39,220.20.

[fol. 48]

11

Planters Oil Mill, Tunica, Mississippi, \$10,937.53.

Tupelo Oil and Ice Company, Tupelo, Mississippi, \$5,313.71.

Refuge Cotton Oil Company, Vicksburg, Mississippi, \$45,519.19.

Winona Oil and Manufacturing Company, Winona, Mississippi,
 \$17,374.33.

Planters Cotton Oil Company, Yazoo City, Mississippi, \$12,-
 991.45.

American Cotton Oil Company, New York, New York, \$795,-
 888.25.

Industrial Cotton Oil Properties, New York, New York, \$8,525.85.

Southern Cotton Oil Company, New York, New York, \$706,-
 907.51.

Bertie County Cotton Oil Company, Aulander, North Carolina,
 \$11,658.91.

Battleboro Oil Company, Battleboro, North Carolina, \$10,091.47.

Elba Manufacturing Company, Charlotte, North Carolina, \$9,-
 265.53.

Chowan Cotton Oil and Fertilizer Company, Edenton, North
 Carolina, \$21,559.26.

Eastern Cotton Oil Company, Elizabeth City, North Carolina,
 \$12,457.71.

[fol. 49]

12

Farmville Oil and Fertilizer Company, Farmville, North Carolina,
 \$29,824.34.

Fremont Oil Mill Company, Fremont, North Carolina, \$16,433.98.

Eastern Cotton Oil Company, Hertford, North Carolina, \$16,-
 701.11.

Kings Mountain Cotton Oil Company, Kings Mountain, North Carolina, \$4,192.12.

Robeson Manufacturing Company, Lumberton, North Carolina, \$8,756.50.

Elba Manufacturing Company, Maxton, North Carolina, \$7,348.40.

Mooreboro Cotton Oil Company, Mooreboro, North Carolina, \$2,881.77.

New Bern Cotton Oil and Fertilizer Company, New Bern, North Carolina, \$45,070.84.

Stanley Cotton Oil Company, Norwood, North Carolina, \$425.25.

Hoke Oil and Fertilizer Company, Raeford, North Carolina, \$20,161.43.

International Vegetable Oil Company, Raleigh, North Carolina, \$22,691.06.

Rowland Oil and Fertilizer Company, Rowland, North Carolina, \$9,155.64.

[fol. 50]

13

Lee County Cotton Oil Company, Sanford, North Carolina, \$21,899.42.

Cotton Oil and Ginning Company, Scotland Neck, North Carolina, \$11,650.35.

Winterville Cotton Oil Company, Winterville, North Carolina, \$12,402.17.

Buckeye Cotton Oil Company, Cincinnati, Ohio, \$648,118.44.

Ardmore Oil and Milling Company, Ardmore, Oklahoma, \$5,858.03.

Chickasha Cotton Oil Company, Chickasha, Oklahoma, \$65,442.23.

Commonwealth Cotton Oil Company, Cushing, Oklahoma, \$4,617.56.

Durant Cotton Oil Mill, Durant, Oklahoma, \$7,278.06.

Elk City Cotton Oil Company, Elk City, Oklahoma, \$3,948.11.

Farmers Cotton Oil Company, Madill, Oklahoma, \$5,367.24.

Mangum Cotton Oil Company, Mangum, Oklahoma, \$10,696.70.

Osage Cotton Oil Company, Muskogee, Oklahoma, \$115,421.34.

Osage Cotton Oil Company, Muskogee, Oklahoma, \$1,089.81.

[fol. 51]

14

Southwestern Cotton Oil Company, Oklahoma City, Oklahoma, \$6,190.39.

Union Cotton Oil Company, Prague, Oklahoma, \$5,889.86.

Purcell Cotton Seed Oil Mill Company, Purcell, Oklahoma, \$6,567.29.

H. Hughes, lessee, Roff, Oklahoma, \$746.49.

Tecumseh Oil and Cotton Company, Tecumseh, Oklahoma, \$13,617.94.

Anderson Phosphate and Oil Company, Anderson, South Carolina, \$20,550.15.

The Cotton Oil Company, Hamburg, South Carolina, \$10,931.68.
 Palmetto Oil Company, Bishopville, South Carolina, \$28,635.33.
 Campbello Oil Mill, Campbello, South Carolina, \$11,177.07.
 Cheraw Oil and Fertilizer Company, Cheraw, South Carolina,
 \$31,932.21.
 Chesnee Oil Mill, Chesnee, South Carolina, \$3,437.31.
 Swift and Company Oil Mill, Columbia, South Carolina, \$42,-
 165.23.
 Cowpens Cotton Oil Company, Cowpens, South Carolina, \$6,-
 980.60.

[fol. 52]

15

Denmark Oil Mill, Denmark, South Carolina, \$9,318.55.
 Fountain Inn Oil Mill Company, Fountain Inn, South Carolina,
 \$21,387.
 Victor Cotton Oil Company, Gaffney, South Carolina, \$10,163.55.
 Hartsville Oil Mill, Hartsville, South Carolina, \$7,922.95.
 Kershaw Oil Mill, Kershaw, South Carolina, \$23,272.
 Lancaster Cotton Oil Company, Lancaster, South Carolina, \$16,-
 112.16.
 Leesville Oil Mill, Leesville, South Carolina, \$21,655.41.
 Liberty Oil Mill, Liberty, South Carolina, \$3,688.94.
 Manning Oil Mill, Manning, South Carolina, \$18,616.49.
 Marion Cotton Oil Company, Marion, South Carolina, \$13,776.41.
 Farmers Oil Mill, Newberry, South Carolina, \$10,547.54.
 Ninety-six Oil Mill, Ninety-six, South Carolina, \$19,698.43.
 Orangeburg Fertilizer Company, Fort Motte, South Carolina, \$6,-
 637.60.

[fol. 53]

16

Pendleton Oil Mill, Pendleton, South Carolina, \$4,617.65.
 Ridge Springs Oil Mill, Ridge Springs, South Carolina, \$4,170.32.
 Dorchester Cotton Oil Company, Saint George, South Carolina,
 \$8,755.53.
 Caldwell and Company, Spartanburg, South Carolina, \$18,984.48.
 Timmons ville Oil Company, Timmons ville, South Carolina, \$7,-
 092.79.
 Ware Shoals Oil Mill, Ware Shoals, South Carolina, \$7,525.22.
 Tyger-Shoals Milling Company, Wellford, South Carolina, \$6,770.
 Westminster Oil and Fertilizer Company, Westminster, South
 Carolina, \$9,706.34.
 Woodruff Oil and Fertilizer Company, Woodruff, South Carolina,
 \$10,307.79.
 Yorkville Cotton Oil Company, York, South Carolina, \$6,141.94.
 Lookout Oil and Refining Company, Alton Park, Chattanooga,
 Tennessee, \$16,237.44.
 Lake County Manufacturing Company, Dyersburg, Tennessee,
 \$20,346.01.

- Phoenix Cotton Oil Company, Dyersburg, Tennessee, \$21,160.80.
 Central Oil Mills, Jackson, Tennessee, \$19,558.16.
 Phoenix Cotton Oil Company, Box 1106, Memphis, Tennessee, \$23,364.18.
 Shelby County Cotton Oil Company, Memphis, Tennessee, \$29,843.11.
 Valley Cotton Oil Company, Memphis, Tennessee, \$21,946.52.
 Ripley Oil Mills, Ripley, Tennessee, \$6,319.13.
 Continental Cotton Oil Company, Abilene, Texas, \$15,733.48.
 Alice Cotton Oil Company, Alice, Texas, \$11,554.29.
 Alvarado Cotton Oil Mill, Alvarado, Texas, \$12,555.92.
 Athens Cotton Oil Company, Athens, Texas, \$5,340.25.
 Ballinger Cotton Oil Company, Ballinger, Texas, \$3,954.04.
 Planters Cotton Oil Company, Box 305, Bonham, Texas, \$8,992.71.
 Bryan Cotton Oil and Fertilizer Company, Bryan, Texas, \$9,805.72.
 Gibson Gin and Oil Company, Calvert, Texas, \$7,148.97.

- Cameron Cotton Oil Company, Cameron, Texas, \$13,772.50.
 Corpus Christi Cotton Oil Company, Corpus Christi, Texas, \$2,272.40.
 Houston County Oil Mill and Manufacturing Company, Crockett, Texas, \$9,833.27.
 Dallas Oil and Refining Company, Dallas, Texas, \$7,643.53.
 International Vegetable Oil Mills, Dallas, Texas, \$7,950.84.
 Dawson Oil Mill, Dawson, Texas, \$1,625.96.
 El Campo Cotton Oil Company, El Campo, Texas, \$3,578.34.
 Producers Cotton Products Association, Ennis, Texas, \$6,549.97.
 Farmers Cotton Oil Company, Farmersville, Texas, \$5,334.78.
 Flatonia Oil Mill, Flatonia, Texas, \$455.02.
 Forney Cotton Oil and Ginning Company, Forney, Texas, \$12,160.21.
 Fort Worth Cotton Oil Mill, Fort Worth, Texas, \$14,664.53.
 Gatesville Cotton Oil Mill, Gatesville, Texas, \$4,034.21.
 Gilmer Cotton Seed Oil Company, Gilmer, Texas, \$886.59.

- Gonzales Cotton Oil and Manufacturing Company, Gonzales, Texas, \$11,239.16.
 Grand View Cotton Oil Company, Grand View, Texas, \$1,842.61.
 Hamlin Cotton Oil Company, Hamlin, Texas, \$8,042.40.
 Lavaca Oil Company, Hallettsville, Texas, \$4,933.40.
 Planters Oil Company, Hearne, Texas, \$23,037.78.
 Hempstead Oil Mill, Hempstead, Texas, \$3,000.13.
 Bencini Cotton Oil Mills, Houston, Texas, \$4,826.94.

Houston Cotton Oil Mills, Houston, Texas, \$14,591.50.
 International Vegetable Oil Mills, Houston, Texas, \$12,256.24.
 Magnolia Provision Company, Houston, Texas, \$28,467.85.
 South Texas Cotton Oil Company, Houston, Texas, \$8,000.89.
 Jackshoro Oil and Milling Company, Jackshoro, Texas, \$718.06.
 Jacksonville Cotton Oil Company, Jacksonville, Texas, \$7,813.90.
 Jefferson Oil Company, Jefferson, Texas, \$1,384.55.
 Kaufman Cotton Oil Company, Kaufman, Texas, \$7,899.03.

[fol. 57]

20

Kenedy Cotton Oil Company, Kenedy, Texas, \$15,496.
 Leonard Oil Mill Company, Leonard, Texas, \$6,684.91.
 Longview Cotton Oil Company, Longview, Texas, \$12,028.86.
 Lyons Oil Mill Company, Lyons, Texas, \$2,877.25.
 Price Oil Mill Company, Madisonville, Texas, \$5,483.62.
 Marshall Cotton Oil Company, Marshall, Texas, \$2,175.13.
 Memphis Cotton Oil Company, Memphis, Texas, \$12,788.97.
 Munger Oil and Cotton Company, Mexia, Texas, \$2,376.81.
 Midlothian Oil and Gin Company, Midlothian, Texas, \$4,862.62.
 Mineola Cotton Oil Company, Mineola, Texas, \$5,723.09.
 Planters Cotton Oil Company, Navasota, Texas, \$16,115.81.
 The Schumacher Oil Works, Navasota, Texas, \$15,242.89.
 Bowie County Cotton Oil Company, New Boston, Texas, \$2,837.43.
 Landa Cotton Oil Company, New Braunfels, Texas, \$12,808.34.

[fol. 58]

21

Palestine Oil and Manufacturing Company, Palestine, Texas, \$8,305.26.
 Pilot Point Cotton Oil Mill Company, Pilot Point, Texas, \$1,984.64.
 Quanah Cotton Oil Company, Quanah, Texas, \$30,436.56.
 Alamo Oil and Refining Company, San Antonio, Texas, \$18,563.06.
 San Marcos Oil Mill, San Marcos, Texas, \$6,097.99.
 Schulenberg Oil Mill, Schulenberg, Texas, \$1,119.84.
 Sherman Oil Mill, Sherman, Texas, \$5,707.71.
 Shiner Oil Mill and Manufacturing Company, Shiner, Texas, \$8,476.04.
 Sweetwater Cotton Oil Company, Sweetwater, Texas, \$1,401.56.
 Taft Oil Company, Taft, Texas, \$9,342.60.
 Planters Cotton Oil Company, Taylor, Texas, \$10,170.53.
 Munger Cotton Oil Company, Teague, Texas, \$831.73.
 Temple Cotton Oil Mill, Temple, Texas, \$5,191.30.
 Terrell Oil and Refining Company, Terrell, Texas, \$9,748.80.
 Farmers Oil and Fertilizer Company, Texarkana, Texas, \$4,277.88.

[fol. 59]

22

Thorndale Oil Mill, Thorndale, Texas, \$4,162.34.
 Tyler Cotton Oil Company, Tyler, Texas, \$11,871.55.

Victoria Manufacturing Company, Victoria, Texas, \$9,917.51.
 Brazos Valley Cotton Oil Company, Waco, Texas, \$961.49.
 Waco Cotton Oil Mill, Drawer 29, Waco, Texas, \$24,769.85.
 Weimer Oil Works, Weimer, Texas, \$6,632.83.
 Whitesboro Cotton Oil Company, Whitesboro, Texas, \$14,681.02.
 Winters Cotton Oil Company, Winters, Texas, \$6,810.73.
 Hunt County Oil Company, Wolfe City, Texas, \$7,992.53.
 Munger Oil and Cotton Company, Wortham, Texas, \$1,364.63.
 Yorktown Oil and Manufacturing Company, Yorktown, Texas,
 \$7,991.41.
 Crescent Cotton Oil Company, Memphis, Tennessee, \$91,610.61.
 Washington Cotton Oil Company, Dallas, Texas, \$26,278.36.
 Atlanta Cotton Oil Company, \$26,705.03.
 Monroe County Cotton Oil Company, Aberdeen, Mississippi, \$13,-
 255.40.

[fol. 60]

EXHIBIT 3 TO PETITION

 Executive Order by the President Providing for Organization of
 United States Food Administration

Whereas under and by virtue of an act of Congress entitled "An Act to provide further for the national security and defense by encouraging the production, conserving the supply, and controlling the distribution of food products and fuel," approved August 10, 1917, it was provided among other things, as follows:

"That, by reason of the existence of a state of war, it is essential to the national security and defense, for the successful prosecution of the war, and for the support and maintenance of the Army and Navy, to assure an adequate supply and equitable distribution, and to facilitate the movement, of foods, feeds, fuel, including fuel oil and natural gas, fertilizer, and fertilizer ingredients, tools, utensils, implements, machinery, and equipment required for the actual production of foods, feed, and fuel, hereafter in this act called necessities; to prevent, locally or generally, scarcity, monopolization, hoarding, injurious speculation, manipulations, and private controls, affecting such supply, distribution, and movement, and to establish and maintain governmental control of such necessities during the war. For such purposes the instrumentalities, means, methods, powers, authorities, duties, obligations, and prohibitions hereinafter set forth are created, established, conferred, and prescribed. The President is authorized to make such regulations and to issue such orders as are essential effectively to carry out the provisions of this act."

[fol. 61] And whereas it is further provided in said act as follows:

"That, in carrying out the purpose of this act the President is authorized to enter into any voluntary arrangement or agreements, to create and use any agency or agencies, to accept the services of any person without compensation, to cooperate with any agency or person, * * *."

Now, therefore, under and by virtue of the power conferred upon me by the provision of said act and for the purpose of carrying the same into effect, I, Woodrow Wilson, President of the United States, hereby order and direct as follows:

There is hereby established a governmental organization to be known as and called United States Food Administration.

Said organization shall consist of an officer designated as United States Food Administrator and such subordinate assistants and employees as may be selected by him for service in the city of Washington, D. C., and elsewhere, with the consent and approval of the President and under such rules and regulations as may from time to time be prescribed.

Herbert Hoover is hereby appointed United States Food Administrator, such appointment to take effect from this date.

Said United States Food Administrator shall hold office during the pleasure of the President.

Said United States Food Administrator shall supervise, direct, and carry into effect the provision of said act, and the powers and authority therein given to the President so far as the same apply to foods, feeds, and their derivative products and to any and all practices, procedure, and regulations authorized or required under the provision of said act, including the issuance, regulation, and [fol. 62] revocation, in the name of said Food Administrator, of licenses under said act, and in this behalf he shall do and perform such acts and things as may be authorized or required of him from time to time by direction of the President and under such rules and regulations as may be prescribed by the President from time to time.

He shall also have the authority to make use of the services of legal counsel and employ and fix the compensation of such counsel as may from time to time be deemed by him necessary for the purpose of aiding him in carrying this act into effect.

And whereas the President is further authorized in carrying out the purposes of said act "to utilize any department or agency of the Government and to co-ordinate their activities so as to avoid preventable loss or duplication of effort or funds," all departments and established agencies of the Government are hereby directed to co-operate with the United States Food Administrator in the performance of his duties as hereinbefore set forth and to give said administrator such support and assistance as may be requisite or expedient to enable him to perform his said duties and avoid duplication of effort and expenditure of funds.

In witness whereof I have hereunto set my hand and caused the seal of the United States to be affixed.

Done in the District of Columbia, this 10th day of August, in the year of our Lord one thousand nine hundred and seventeen, and of the independence of the United States of America, the one hundred and forty-second.

Woodrow Wilson.

By the President: Robert Lansing, Secretary of State. (Seal.)

By the President of the United States of America.

A Proclamation

Whereas, Under and by virtue of an Act of Congress entitled "An Act to provide further for the national security and defense by encouraging the production, conserving the supply, and controlling the distribution of food products and fuel," approved by the President on the 10th day of August, 1917, it is provided among other things as follows:

"That, by reason of the existence of a state of war, it is essential to the national security and defense, for the successful prosecution of the war, and for the support and maintenance of the Army and Navy, to assure an adequate supply and equitable distribution, and to facilitate the movement of foods, feeds, fuel including fuel oil and natural gas, and fertilizer and fertilizer ingredients, tools, utensils, implements, machinery, and equipment required for the actual production of foods, feeds, and fuel, hereafter in this Act called necessities; to prevent, locally or generally, scarcity, monopolization, hoarding, injurious speculation, manipulations, and private controls, affecting such supply, distribution, and movement; and to establish and maintain governmental control of such necessities during the war. For such purposes the instrumentalities, means, methods, powers, authorities, duties, obligations, and prohibitions hereinafter set forth are created, established, conferred and prescribed. The President is authorized to make such regulations and to issue such orders as are essential effectively to carry out the provisions of this Act."

[fol. 64] And, Whereas, It is further provided in said Act as follows:

"That, from time to time, whenever the President shall find it essential to license the importation, manufacture, storage, mining or distribution, of any necessities, in order to carry into effect any of the purposes, of this Act, and shall publicly so announce, no person shall, after a date fixed in the announcement, engage in or carry on any such business specified in the announcement of importation, manufacture, storage, mining, or distribution of any necessities as set forth in such announcement, unless he shall secure and hold a license issued pursuant to this section. The President is authorized to issue such licenses and to prescribe regulations for the issuance of licenses and requirements for systems of accounts and auditing of accounts to be kept by licenses, submission of reports by them, with or without oath or affirmation, and the entry and inspection by the President's duly authorized agents of the places of business of licenses."

And, Whereas, It is essential, in order to carry into effect the provisions of the said Act, that the powers conferred upon the President by said Act be at this time exercised, to the extent hereinafter set forth.

Now, Therefore, I, Woodrow Wilson, President of the United States of America, by virtue of the powers conferred upon me by said Act of Congress, hereby find and determine and by this proclamation do announce that it is essential, in order to carry into effect the purposes of said Act, to license the importation, manufacturing, storage and distribution of necessities, to the extent hereinafter specified.

All persons, firms, corporations and associations engaged in the business either of (1) operating cold storage warehouses (a cold storage warehouse, for the purposes of this proclamation, being defined as any place artificially or mechanically cooled to or below a temperature of 45 degrees above zero Fahrenheit, in which food products are placed and held for thirty days or more), (2) operating elevators, warehouses or other places for the storage of corn, oats, barley, beans, rice, cottonseed, cottonseed cake, cottonseed meal or peanut meal, or (3) importation, manufacturing (including milling, mixing or packing,) or distribution (including buying and selling) any of the following commodities:

Wheat, wheat flour, rye or rye flour,
 Barley or barley flour,
 Oats, oatmeal or rolled oats,
 Corn, corn grits, cornmeal, hominy, corn flour, starch from corn, corn oil, corn syrup or glucose,
 Rice, rice flour,
 Dried beans,
 Pea seed or dried peas,
 Cotton seed, cottonseed oil, cottonseed cake or cottonseed meal,
 Peanut oil or peanut meal,
 Soya bean oil, soya bean meal, palm oil or copra oil,
 Oleomargarine, lard, lard substitutes, oleo oil or cooking fats,
 Milk, butter or cheese,
 Condensed, evaporated or powdered milk,
 Fresh, canned or cured beef, pork or mutton,
 Poultry or eggs,
 Fresh or frozen fish,
 Fresh fruits or vegetables,
 Canned: Peas, dried beans, tomatoes, corn, salmon or sardines,
 Dried: Prunes, apples, peaches or raisins,
 Sugar, syrups or molasses,
 Excepting, however,

[fol. 66] (1) Operators of elevators or warehouses handling wheat or rye, and manufacturers of the derivative products of wheat or rye, who have already been licensed,

(2) Importers, manufacturers and refiners of sugar, and manufacturers of sugar syrups and molasses, who have already been licensed,

(3) Retailers whose gross sales of food commodities do not exceed \$100,000.00 per annum,

(4) Common carriers,

(5) Farmers, gardeners, co-operative associations of farmers or gardeners, including live stock farmers, and other persons with respect to the products of any farm, garden or other land owned, leased or cultivated by them.

(6) Fishermen whose business does not extend beyond primary consignment,

(7) Those dealing in any of the above commodities on any exchange, board of trade or similar institution as defined by Section 13 of the Act of August 10th, 1917, to the extent of their dealings on such exchange or board of trade,

(8) Millers of corn, oats, barley, wheat, rye or rice operating only plants of a daily capacity of less than seventy-five barrels,

(9) Cannery of peas, dried beans, corn, tomatoes, salmon or sardines whose gross production does not exceed 5,000 cases per annum,

(10) Persons slaughtering, packing and distributing fresh, canned or cured beef, pork or mutton, whose gross sales of such commodities do not exceed \$100,000.00 per annum.

(11) Operators of poultry or egg packing plants, whose gross sales do not exceed \$50,000.00 per annum,

(12) Manufacturers of maple syrup, maple sugar and maple compounds,

(13) Ginners, buyers, agents, dealers or other handlers of cotton seed who handle yearly, between September 1st and August 31st, less [fol. 67] than one hundred and fifty tons of cotton seed,

Are hereby required to secure on or before November 1, 1917, license, which license will be issued under such rules and regulations governing the conduct of the business as may be prescribed.

Application for license must be made to the United States Food Administration, Washington, D. C., Law Department—License Division, on forms prepared by it for that purpose, which may be secured on request.

Any person, firm, corporation or association other than those hereinbefore excepted, who shall engage in or carry on any business hereinbefore specified after November 1, 1917, without first securing such license, will be liable to the penalty prescribed by said Act of Congress.

In Witness Whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

Done in the District of Columbia, this Eighth day of October, in the year of our Lord One Thousand Nine Hundred and Seventeen, and of the Independence of the United States of America, the One Hundred and Forty-second.

Woodrow Wilson.

By the President: Robert Lansing, Secretary of State. (Seal.)

[fol. 68]

EXHIBIT 5 TO PETITION

Rules Governing Cotton Linters

War Industries Board

Cotton and Cotton Products Section

Effective July 10, 1918

Rule 1. All Linters cut after May 2, 1918, to be of munition type, running 145 pounds and upwards per ton of cotton seed crushed. They may be offered and sold only through the Du Pont American Industries Co., acting purchasing agents for the Procurement Division of the United States Ordnance Department.

Rule 2. Linters shall be procured by one reginning of cotton seed. Such linters must be reasonably free of motes, flues, hull linters, hull fiber, hull particles, sweepings, seed, meats, lubricating oil, excess moisture and all foreign matter, and the price of \$4.67 per hundred pounds, fixed by the War Industries Board, as of May 2, 1918, shall apply thereto.

Rule 3. Linters contaminated by any of the above-mentioned foreign materials, or linters made from spoiled, burned or badly damaged seed, or which have been otherwise damaged, will be accepted by the Government's authorized buying agency at a reduced price. If the producer and the buying agency cannot agree upon a price, an agreed sample approved by both the producer and the buying agency may be submitted to the Procurement Division of the United States Ordnance Department for a decision as to price. Such decision shall be final.

Rule 4. The making of two cuts of linters or passing the seed through linting machines a second time is prohibited.

[fol. 69] Rule 5. Motes, Flues and Sweepings: All motes, flues and sweepings must be offered for sale to the Government buying agency, and if of acceptable grade will be purchased. If not acceptable, mills may then apply to the Cotton and Cotton Products Section of the War Industries Board for permit to sell on the open market such rejected motes, flues and sweepings in limited specified quantities.

Rule 6. All offerings of motes, flues and sweepings must be in not less than carload lots.

Rule 7. All raw cellulose produced by oil mills, whether linters, motes, flues, sweepings, hull fiber or other fibrous by-product of the cotton seed, shall be offered for sale to the Government buying agency.

Rule 8. The average weight of bales on any one shipment shall not be less than 450 pounds, nor more than 550 pounds. Tare shall not exceed 7 per cent. For contract purposes, it shall require 500 pounds gross weight to constitute one bale. All bales must be covered sufficiently and properly to protect the contents.

Rule 9. Beginning August 1, 1918, all manufacturers of cotton linters will be required to furnish semi-monthly reports as of the last working day prior to the first and fifteenth of each month; these reports to be mailed within three days after the end of each semi-monthly period. Reports will deal with raw material and finished linters along the lines laid down in the reports required by the United States Food Administration.

These rules harmonize with army specifications.

Geo. R. James, Chief, Cotton and Cotton Products Section,
War Industries Board.

[fol. 70]

EXHIBIT 6 TO PETITION

Agreement

This agreement made this twenty-eighth (28th) day of August 1918, between Du Pont American Industries, Inc., a corporation organized and existing under the laws of the State of Delaware (hereinafter called "the Agent"), party of the first part, and United States of America (hereinafter called "the Government"), by Chas. N. Black, Lt. Colonel, Ordnance Department, National Army (hereinafter called the "Contracting Officer"), acting under the authority of the Chief of Ordnance, United States Army, and under the direction of the Secretary of War, party of the second part, Witnesseth:

Whereas, a state of war exists between the United States of America and the German and Austro-Hungarian Governments, constituting a National Emergency, and the usual requirements of advertising for bids are therefore dispensed with; and

Whereas, in order to conserve the present and future supply of cotton linters, it became necessary for the Government to provide for the regulation thereof; and

Whereas, the Government, through the War Industries Board, has established a price of \$0.0467 per pound for cotton linters, and has assumed control of the entire production and distribution thereof in order to facilitate the manufacture of explosives for the proper conduct of the war; and

Whereas, the Government deems it advisable to employ a single efficient purchasing and selling agent, which will take sole charge of the entire matter, including the financing, as provided herein, the buying inspecting, grading and where necessary, the storing of all cotton linters produced in the United States between the first day of August, [fol. 71] 1918, and the first day of August, 1919, and which will distribute said linters by sale to such individuals, firms, corporations and Governments at such times and in such amounts as the War Industries Board shall direct; and

Whereas, the Agent represents that it possesses an organization and personal experience in the business of buying, selling and otherwise dealing in cotton linters, and is willing to act as the Government's agent in the performance of the services hereinafter more particularly set forth, upon the terms and for the compensation stated herein.

Now, therefore, in consideration of the mutual agreements herein contained, the parties hereto have agreed, and by these presents do agree with each other as follows:

Article I

Definitions.—Whenever the word "Agent" is used herein it shall be taken to mean the party of the first part, and its legal representatives, successors and assigns.

Whenever the words "Chief of Ordnance" are used herein they shall be taken to mean the Chief of Ordnance, United States Army, the Acting Chief of Ordnance, or any duly authorized representative of either.

Whenever the words "Contracting Officer" are used herein they shall be taken to mean the officer in whose name the contract is executed, his successors or assigns, his or their duly authorized agent or agents, or anyone from time to time designated by the Chief of Ordnance to act as Contracting Officer.

Whenever the words "War Industries Board" are used herein, they shall be taken to mean that Board as now constituted by executive Proclamation or Order or other properly constituted governmental agency succeeding to the duties now delegated to the War Industries Board.

Whenever the word "material" or "materials" is used herein it [fol. 72] shall be taken to mean raw cotton linters and like cotton seed products, including motes, flues, sweepings, and mill-lint.

Whenever the words "average clean mill run linters" are used herein, they shall be taken to mean mill run cotton linters, produced by one reginning of cotton seed, reasonably free of motes, flues, hull fiber, hull particles, sweepings, seed, meats, lubricating oil, excess moisture, and all foreign matter.

Whenever the word "allocattee" is used herein, it shall be taken to mean any person, firm, company or government to whom or which the Government has allocated material or materials purchased hereunder, and who or which has entered into a contract

with the Agent to purchase the amount of materials so allocated on the form of contract hereto annexed and marked "Allocatee's Purchasing Contract."

Article II

Authority of Agent.—The Agent is hereby authorized and empowered to purchase for the Government all the raw cotton linters and all the motes, flues, and sweepings usable for the manufacture of military explosives, produced in the United States, between the first day of August, 1918, and the first day of August, 1919, and as such Agent to make contracts either in the name of the Government or in its own corporate name as Agent for the Government, covering the purchase of said materials; subject, however, to the terms and conditions of this agreement.

Article III

Duties of Agent.—The Agent will maintain a main office and sufficient branch offices, and a competent organization of officials, inspectors, clerks, and such equipment and other facilities as may [fol. 73] be necessary for the efficient performance of the work. The following items of cost and disbursements will be borne by the Agent viz:

Rent, light, heat, main office expense, including telegrams, telephones, clerk hire, and the services of clerks and stenographers, branch office expenses, including inspectors' salaries, inspectors' traveling expenses, telegrams, telephones, cost of tags, tagging of linters, postage, sampling, clerks' salaries, stenographers' salaries, and interest on money borrowed or funds advanced by the Agent, and all expenses of a similar nature.

All other items of cost and disbursements will be borne by the Government, except such charges and expenses as by the terms of this agreement are required to be paid by allocatees, or from the fund mentioned in Article IV hereof.

Article IV

Mode of Procedure.—The Agent shall purchase and pay for all "average clean mill run linters" the Government fixed price of \$4.67 per hundred pounds, f. o. b. cars point of production. The Agent shall purchase and pay for all raw linters inferior to "average clean mill run linters," and all motes, flues, and sweeping usable for the manufacture of military explosives, at prices lower than \$4.67 per hundred pounds f. o. b. cars point of production. The prices to be paid therefor to be arrived at by negotiation between the Agent and the seller and to be graduated according to the quality of such materials. Should any dispute arise between the Agent and the seller of such materials as to the price to be paid therefor, a sample of the material approved by the seller and the Agent shall be submitted to the Contracting Officer, or his duly appointed representative, for determination of the price

to be paid therefor, and the decision of the Contracting Officer, or his duly appointed representative, shall be binding upon the Agent, the Government and the seller. The Agent will sell for the account [fol. 74] of the Government to such persons, firms, corporations and governments as the War Industries Board shall from time to time designate, the materials so purchased in quantities and qualities designated by the War Industries Board at and for the prices paid therefor by the Agent, plus the sum of twenty-six cents (26c.) per bale to cover the Agent's disbursements and compensation on account of the purchasing, inspection, tagging and shipping of said material. All such sales shall be made on the form of contract hereto annexed, marked "Allocatee's Purchasing Contract."

The allocatee shall pay the actual freight and internal revenue tax on freight shipments, and send all receipted bills, for freight and taxes paid, to the Agent for adjustment to the average freight as hereinafter set forth.

A fund to provide for the payment of freight, insurance, storage, and other charges and expenses not chargeable to the Agent as specified in Article III hereof, where necessary to carry out this plan, and to adjust freight charges paid by the allocatees to an average rate shall be created and administered as follows:

a. The Agent will charge and each allocatee shall pay on each invoice for material received in addition to the purchase price thereof and the agent's compensation of 26 cents per bale aforesaid, the sum of \$1.278 per hundred pounds of material received.

b. The Agent shall pay out of this fund all charges for storing material, freight and insurance thereon up and until the time the material is shipped to an allocatee; it being agreed that all freight, insurance and storage charges required to be paid on materials purchased by the Agent before shipment to an allocatee shall be paid from this fund, and that freight, insurance and storage charges, if any, thereafter shall be borne and paid by the allocatees of said material.

[fol. 75] c. On the first day of August 1919, or as soon thereafter as may be, this fund shall be liquidated by the Agent, and any balance therein together with any interest accrued shall be forthwith distributed among the various allocatees in proportion to their respective advancements thereto.

d. It is agreed that allocatees shall ultimately pay freight on a tonnage basis irrespective of the length of the haul, the allocatee being charged the average freight determined by dividing the total amount of freight and taxes paid by all allocatees by the total number of pounds shipped to all allocatees to get the average rate per pound. This average rate will be determined by the Agent on August 1, 1919, or as soon thereafter as may be and a true statement showing: (a) the total amount of actual freight and taxes paid by allocatees; (b) the number of pounds of material shipped; and (c) the average rate determined as aforesaid shall be furnished by the Agent to all allocatees. The Agent shall adjust freight and taxes between allocatees by collecting from any allocatee, whose actual freight and tax payments are less than the average freight and

taxes on his shipments, the difference between the actual amount paid and the average freight and taxes, deducting the amount so found to be due from the allocatee's distributive share of said fund; and by paying to allocatees whose actual freight and tax payments are in excess of the average freight and taxes on shipments received the difference between the average rate and actual rate paid.

Contracts for the purchase of material hereunder shall be made on form of contract hereto attached, marked "Seller's Contract of Sale."

Article V

Records.—The Agent shall keep complete records of such character and in such form as may be approved or required by the Contracting Officer concerning the business herein prescribed, which [fol. 76] shall be retained by it for a period of six years after the termination of this contract or of any extension thereof. Such records shall at all times be open to the inspection of the Government or its duly authorized representative. The Agent shall not be required to account to the respective allocatees except upon the statements specifically referred to in paragraph d of Article IV.

Article VI

Compensation.—The compensation to the Agent for its services and disbursements in carrying out this contract shall be 26 cents for each bale of approximately 500 pounds purchased by the Agent and shipped to allocatees. This compensation shall be paid to the agent by the allocatees in the manner prescribed in the "Allocatee's Purchasing Contract," a form of which is attached hereto.

Article VII

Price Changes.—The Government reserves the right to establish from time to time a different price for average clean mill run linters, and in that event from and after the establishment of the different price the agent shall contract to purchase and sell at the newly established price. The Agent shall make no profit by reason of any change or provision upward or downward of the price of material.

Article VIII

Government Guarantee.—The Agent shall notify the Contracting Officer in writing on or before the first day of each calendar month the approximate amount of material that will become deliverable to the Government under contracts then existing during the succeeding calendar month, and the War Industries Board through proper representatives will on or before the 10th day of the [fol. 77] same month allocate said materials and furnish the Agent in writing the names and addresses of the allocatees. Thereupon, the Agent shall, as soon as may be, furnish to each of said allocatees contracts in quadruplicate, on the form herein before mentioned,

covering the purchase by the allocatee of the material so allocated. If and when said contract is executed by the parties thereto, one copy thereof shall be retained by the allocatee, one by the Agent and one shall be delivered to the Contracting Officer, and one to the War Industries Board. The Agent in all cases where the credit of the allocatee is approved by the Agent, but not otherwise, shall advance the funds required to purchase the amount of material so allocated and covered by the allocatees' contract of purchase therefor, and will obtain reimbursement for the money so advanced by the retention of the purchase price of the material so allocated as and when received by the Agent from the allocatee. It is the intention and expectation of the parties hereto that the Government will be able to allocate all materials purchased hereunder as and when said material is produced and ready for shipment, in accordance with the seller's contract of sale, to an allocatee willing to enter into the firm contract of purchase on the form of contract hereinbefore mentioned, and in this way relieve the Government of the necessity for advancing any money to carry out this plan; but it is expressly understood and agreed that the Agent does not assume the risk of finding a market for the materials so purchased by the Agent for the Government, this being assumed by the Government; nor shall the Agent be under any obligation to advance funds or complete the purchase of any material contracted for until the Government has allocated the same to an allocatee who has entered into a firm contract of purchase therefor on the form of contract hereinbefore mentioned, and whose credit is approved by the Agent.

In all cases where the Government fails, in whole or in part, to [fol. 78] allocate materials when notified as herein provided, on or before the 10th day of the same month, and in all cases where an allocatee fails for ten days after being notified so to do to enter into an allocatee's contract of purchase, as above provided, and in all cases where an allocatee's credit is not approved by the Agent, the Government will advance to the Agent \$4.67 for each 100 pounds of average clean mill run linters so unallocated or so allocated to an allocatee whose credit is not approved or has so failed for ten days to enter into an allocatee's contract of purchase, and the Agent will thereupon complete the purchase for the Government of all such material, and the Government will at the time of advancing the purchase price as aforesaid furnish the Agent instructions covering the disposition of material so purchased and provide suitable storage therefor. In case the material so purchased by the Government is not later allocated as provided herein, and remains unallocated at the termination of this agreement, the Government will pay the Agent on demand twenty-six cents (26¢) per bale to cover Agent's disbursements and compensation on account of the purchase of said material.

The Government will reimburse and hold the Agent harmless on account of any expenses or disbursements made or paid by it in the carrying out of this contract on its part; excepting always the ex-

penses and disbursements covered by the twenty-six cents (26¢) per bale so to be paid by allocatees to the Agent to cover the Agent's disbursements and compensation as provided in Article III hereof.

The Government further agrees that in all cases where an allocatee, whose credit has been approved by the Agent, fails to accept and pay for material as provided in said Allocatee's Contract of Purchase, the purchase price of which material has been advanced by the Agent, the Government will on being requested so to do by the Agent accept and pay for all such material at the prices paid therefor by the Agent.

[fol. 79]

Article IX

Cancellation.—This agreement may be terminated at any time by the Contracting Officer for any reason that he deems advisable, by giving written notice of cancellation thereof to the Agent, and upon the giving of such notice the Agent's authority to act for the Government hereunder shall terminate; and the Government shall promptly reimburse the Agent for all moneys paid and laid out by the Agent in and about the carrying out of this contract on its part for which it has not been reimbursed under the contract. Upon the termination of this agreement by action of the Contracting Officer the Agent will transfer to the Government the fund created by the payment of \$1.278 by allocatees as hereinbefore mentioned, and the Government will take over and assume the obligation of administering and liquidating said fund in accordance with the terms under which the fund was created.

Article X

Unless sooner terminated this agreement shall terminate and end on the first day of August, 1919, but the liabilities of the parties hereto in respect to existing unfinished or uncompleted transactions or matters arising or growing out of the carrying out of this contract shall be and remain as if no termination had occurred.

Article XI

Officials Not to Benefit.—No Member of or Delegate to Congress or Resident Commissioner is or shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this article shall not apply to this contract so far as it may be within the [fol. 80] operation or exception of section 116 of the act of Congress approved March 4, 1909 (35 Stats., 1109).

Article XII

Prison Labor.—No person or persons shall be employed in the performance of this contract who are undergoing sentences of imprisonment at hard labor which have been imposed by the courts of the several States, Territories, or municipalities having criminal jurisdiction.

Article XIII

Disputes.—Except as herein otherwise specifically provided, any doubts or disputes which may arise under this contract or as to its performance or non-performance shall be referred to the Chief of Ordnance for determination. If the Agent shall feel aggrieved at his decision, it shall have the right of appeal to the Secretary of War, whose decision shall be final.

In witness whereof, the parties hereto have caused this agreement to be executed and delivered in triplicate at Washington, D. C., the day and year first above written.

Du Pont American Industries, Inc., (Signed) by F. L. Connable, Vice-President. Attest: (Signed) Alexis I. Du Pont, Secretary. United States of America, (Signed) by Chas. N. Black, Contracting Officer.

[fol. 81]

EXHIBIT 7 TO PETITION

Seller's Contract of Sale

Purchase Contract No. 3505

Memphis, Tenn., Sept. 26, 1918.

United States of America, acting by Du Pont American Industries, Inc., duly empowered Agent, has bought of Hartsville Oil Mill, P. O. Address, Hartsville, S. C., Quantity, 4,500 Bales, approximately 2,250,000 Pounds.

Quality of Material.

Average clean mill run linters produced by one ginning of cotton seed, reasonably free of motes, flues, hull fiber, hull particles, sweepings, seed, meats, lubricating oil, excess moisture and all foreign matter.

Price.

Four and Sixty-seven Hundredths Cents (\$0.0467) per pound free of exchange to Buyer, being the price fixed by the War Industries Board May 2, 1918.

Inferior Linters.

Linters not equal in quality to "average clean mill run linters" as above described, will be accepted by the Buyer at a reduced price, which price will be mutually agreed upon by the Seller and the Agent of the Buyer, but in case the Seller and the Agent of the Buyer are unable to agree on the price a sample of the material approved by the Seller and the Agent of the Buyer shall be submitted to the

Contracting Officer for determination of the price to be paid for said material, and the decision of the Contracting Officer as to price to be paid shall be final and binding on the parties hereto.

[fol. 82] Delivery.

F. O. B. cars point of production, Hartsville, S. C.

Time of Shipment.

Aug.	Dec. 550.....	April 550.....
Sept. 125.....	Jan. 550.....	May 550.....
Oct. 525.....	Feb. 550.....	June
Nov. 550.....	Mar. 550.....	July

Inspection.

Buyer shall be notified at least ten days before each shipment is ready to move to allow for prompt examination. Bales shall be so tendered that each and every bale can be examined by Buyer thoroughly without labor or expense to Buyer. The minimum quantity for inspection at any one time shall be two hundred (200) bales.

Packages.

The material must be suitably baled with good bagging to properly protect it in shipping and securely tied with not less than six steel bands. Material improperly baled will be sufficient cause for rejection.

Shipping.

Shipping instructions will be mailed immediately to Seller by Buyer after notification from the inspector that a lot has been inspected and accepted.

Marking.

Bales shall be marked by Seller free of cost to Buyer, as instructed by Buyer.

[fol. 83] Payment.

Sight draft will be drawn by Seller on "Du Pont American Industries, Inc., Agent," at Memphis, Tennessee, with invoices, weight sheets and bills of lading attached thereto, all made out in accordance with shipping instructions from the Buyer covering each shipment made by the Seller. No draft will be paid until this contract has been signed by the Seller and returned to the Buyer, nor until Buyer has had opportunity, as hereinbefore specified, of inspection of shipment covered thereby; nor until all documents with respect thereto are in order as specified in shipping instructions therefor.

Contingencies.

In case the Seller is prevented from deliveries any or all of the material as herein provided by reason of strikes, fires, accidents, embargoes of railroads, or other causes beyond Seller's reasonable control, the Seller shall be excused from making delivery of linters while prevented from so doing by any one or more of the causes aforesaid and this contract shall as to the material so affected (but not otherwise) be suspended during the time such cause for delay exists, but all such linters shall be delivered as soon as practicable after such disability has been removed; provided that as to any linters not delivered within sixty (60) days after the time they should have been delivered as herein provided, the Buyer shall have the right to cancel all such deliveries.

Cancellation.

In the event of the termination of the present war, the Buyer shall have the right to cancel this contract on the first day of any calendar month thereafter by giving to the Seller on or before the first day of the month of which cancellation is to become effective a notice in [fol. 84] writing of the Buyer's intention to cancel, and this contract shall be cancelled on the date of cancellation set forth in the notice; provided, always, that the Seller shall make the deliveries herein provided to be made during the calendar month following the date on which cancellation became effective; it being the intention of the parties hereto that in event the Buyer exercises the right of cancellation it shall be exercised only on the first day of the calendar month, and that the Seller shall make the deliveries provided by the contract to be made during the thirty (30) days succeeding the date cancellation becomes effective; and provided further that in the event buyer exercises the right of cancellation as aforesaid, it will in addition to accepting deliveries for one month after cancellation hold the Seller harmless from all loss caused by such cancellation such as firm commitments for material purchased to fulfill this contract, exclusive of any profits.

The Du Pont American Industries, Inc., acts herein solely as the Agent of the Buyer, its authority to so act being contained in the contract between the Buyer and the Du Pont American Industries, Inc., dated 28th day of August, 1918, a copy of which contract is hereto attached for better information of the Seller with respect to its authority in the premises, and no warranty of authority is to be taken or inferred from said Company's acting as Agent in the premises.

Dated this 26th day of Sept., 1918.

United States of America, by Du Pont American Industries, Inc., Its Agent, per A. K. Burrow, Manager, Hartsville, Oil Mill, by J. J. Lawton, Pres. & Treas.

EXHIBIT 8 TO PETITION

New Rules Based on Stabilized Prices

United States Food Administration

Circular No. 49

Washington, D. C., September 7, 1918.

To all crushers of cotton seed and the purchasers of products thereof:

As heretofore announced, the United States Food Administration, under Rule 8 of the rules governing crushers of cotton seed, will consider \$18.50 over the price paid for cotton seed as a fair advance in selling the products thereof.

Based upon the stabilized prices of cotton seed at the average agreed to by the producers and the United States Food Administration, and upon the crushing margin of \$18.50 thus fixed, the following basic prices for the various cotton seed products have been approved by the Food Administration, effective September 7, 1918.

1. Basis prime crude cotton seed oil, $17\frac{1}{2}$ cents per pound, loose, f. o. b. tank cars, at point of manufacture, in accordance with the agreement of oil refiners and lard substitute manufacturers to move this year's crush to the best of their ability on that basis.

2. Cotton seed meal and screened cracked cake 43 per cent protein in any quantity, \$57 per ton in sacks, f. o. b. all points of manufacture in Texas.

3. Cotton seed meal and screened cracked cake 40 per cent protein in any quantity, \$54 per ton in sacks, f. o. b. all points of manufacture in Oklahoma.

[fol. 86] 4. Cotton seed meal and screened cracked cake 36 per cent protein in any quantity, \$51 per ton in sacks, f. o. b. all points of manufacture in Imperial County, California, and \$55 per ton in sacks, f. o. b. all points of manufacture in Los Angeles County, California.

5. Cotton seed meal and screened cracked cake 36 per cent protein in any quantity, \$53 per ton in sacks, f. o. b. all points of manufacture in Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi, Missouri, North Carolina, South Carolina and Tennessee.

6. Bulk, loose or slab cotton seed cake shall be not less than \$5 per ton, and bulk or loose cotton seed meal and screened cracked cake shall be not less than \$4 per ton, under the prices specified above.

7. Cotton seed hulls, bulk or loose, any quantity, \$20 per ton, f. o. b. cars at point of manufacture.

8. Prices specified herein are net to manufacturer. Terms of sale are upon the basis of cash or its equivalent. In making sales on

credit, except to manufacturers and wholesalers, an amount not exceeding \$1 per ton may be added to prices specified above.

9. All cotton seed meal, screened cracked cake, bulk cake showing protein content other than above specified may be offered and sold at \$1 for each unit protein over or under the percentages as shown above. Provided, however, if cotton seed meal or cake upon delivery is ascertained to be of lower protein content than justified by price charged, any refund must be made at the rate of \$1.40 per unit protein. Each shipment or delivery shall be considered separately and without relation to the whole contract. This rule must not be construed in any way as an exception to the Pure Food Act of 1906 or any of the amendments thereto.

10. All manufacturers are urged to give preference in the sales of their products to producers and consumers.

[fol. 87] 11. Under the Food Administration regulations, manufacturers of cotton seed meal, cake and hulls are not permitted, to the exclusion of consumers, to make sales of their products to firms, factories or corporations in which the corporation or the officers of the producing mill may be interested, without the written consent of the food Administration.

12. The price of cotton seed in each zone will be worked out by the Federal Food Administrators of the various States, on the basis of stipulated yields in those zones.

13. Cotton seed crushers will be permitted to sell all manufactured products in excess of the basic yields without reference to the established margin, provided that the price charged for such excess products shall not exceed the price indicated for the other products in said yield.

14. Jobbers properly engaged in the distribution of cotton seed meal, cake or hulls are permitted to add to their purchase price from the mill (as above indicated) the margins prescribed for them by the Food Administration.

15. Only one margin is permitted, and if such products are handled by two jobbers they may divide the margin.

16. Brokers properly engaged in the distribution of cotton seed, cotton seed oil, meal, cake or hulls are permitted to receive from either buyer or seller the brokerage as prescribed by the Food Administration.

Yours very truly, United States Food Administration, by
Hugh Humphreys, Cotton Seed Industry Division.

Proposed form of settlement between cotton-seed oil mills and Government linter pool, approved by Mr. Baruch, chairman of War Industries Board, and now awaiting approval of Secretary of War Baker.

Washington, D. C., December 10, 1918.

The Committee of oil millers have considered the proposition submitted on Saturday last by Major Gelshenen of the Ordnance Department for settlement under the proposed termination of linter contracts, and must reject the same as unsatisfactory and insufficient to assure them against serious loss, and against disruption of the stabilization plan of the Food Administration, under which the farmers and the consumers of products have certain economic guarantees.

The Committee submits that the only basis of settlement that would be fair and just to all interests concerned, and which would strictly conform to the agreements entered into by the Government, through the War Industries Board and the Food Administration with the mills at the beginning of the season, and which proposition the Committee could conscientiously recommend to the mills they represent, would be a plan as follows:

1. The Government "Linter Pool" to buy and take up promptly, under existing rules, all clean mill run "munition" linters and all cleaned motes, flues and sweepings produced to December 21st, 1918, at the fixed price of \$4.67 per cwt. f. o. b. mills, points of production.

2. The mills to change their linter production not later than December 21st to the types known as mattress linters, according to grades and samples to be decided upon jointly by committees of the [fol. 89] War Industries Board, the oil mills and the mattress manufacturers, to be sold at price to be fixed by the War Industries Board in accordance with such joint agreements, and to produce to the mills \$6.77 per ton of seed crushed, which is the amount guaranteed the mills for their linter output for the entire season by the War Industries Board, and the amount figured in the seed prices paid and to be paid the farmers under the Food Administration's plan of stabilization.

3. That the "Pool" be obligated to buy at the end of the season, July 31, 1919, all stocks of linters in the hands of original producers, according to the agreed upon grades, and at prices that would compensate the mills for any loss below the fixed \$6.77 per ton of seed, or in the event the Government does not care to exercise its right to buy, then the mills to be compensated for the actual damage or loss incurred on this basis.

4. Permit the sale of "munition" linters owned by the "Pool" on the markets, at a price not less than 4 $\frac{3}{4}$ ¢ per pound to July 1st, 1919.

5. If the War Industries Board and the War Department will approve the principles of this form of settlement, the details can be worked out by conference in a few days.

(Signed) R. E. Montgomery, Chairman; J. J. Lawton, G. W. Covington; Louis N. Geldert, Sec'y of Committee, Special Committee from the War Service Committee of the Interstate Cotton Seed Crushers' Association.

[fol. 90]

EXHIBIT 10 TO PETITION

"United States Food Administration, Washington, D. C.

"December 10, 1918.

"Referring to the copy of proposed form of settlement between the Cotton Seed Oil Mills and the Government 'Linter Pool,' dated Washington, D. C., December 10, and submitted by a special committee from the War Service Committee of the Interstate Cotton Seed Crushers' Association, I beg to say that any plan for readjustment of your linter agreement with the industry that does not change the value of linters produced per ton of seed, namely, \$6.77, would not only not interfere with the stabilization plan of the Cotton Seed Section of the Food Administration, but would materially assist it in carrying out its agreement with the producers and the various elements of the industry, resulting in the stabilization of this commodity.

"With reference to this particular proposed plan submitted, in our opinion the above result would be accomplished.

"Yours very truly, U. S. Food Administration, Division of Collateral Commodities. Per (Signed) S. J. Cassels, Cotton Seed Industry Section.

"Approved: Robt. E. Cranston, Chief Collateral Commodities Div."

"1. Attached hereto please find copy of proposed form of settlement between the Cotton Seed Oil Mills and the Government Linter [fol. 91] Pool, as submitted to this Section by a special committee from the War Service Committee of the Interstate Cotton Seed Crushers' Association, under date of December 10.

"2. This plan has the unqualified approval and endorsement of the Chief of the Section, in that it is entirely in accordance with what he believes to be the moral obligation of the United States and Allied Governments to purchase all of the lint available from the seed of the present crop of cotton, the season ending July 31, 1919.

"3. This opinion is predicated, first, upon the plan of organization of the Cotton and Cotton Linter Section of the War Industries Board, which was approved by the Board on May 29, 1918. Also,

upon the action of the Price-Fixing Committee of the War Industries Board wherein, under date of May 1, the Chief of the Cotton and Cotton Linter Section was advised by the Secretary of the Price-Fixing Committee as follows:

"Am pleased to advise that after receiving due consideration by the Price-Fixing Committee your recommendation of April 23 naming a price of \$4.67 per hundred pounds f. o. b. points of production, has been approved. The Price-Fixing Committee also approves your recommendation that the Government, through its agents, acquire, purchase and distribute entire stock and production of linters covering a period from August 1, 1918, to July 31, 1919."

"4. Still further, upon the fact that the formation of and the rules governing the Cotton Linter Pool (with which this plan conforms entirely) was the result of a meeting held in the Section on July 2, 1918, and had the approval of Lt.-Col. Chas. N. Black of the Procurement Division of the Ordnance Department.

"5. From the beginning of the present season, August 1, 1918, the purchase of cotton linters by the Government, through the Du Pont American Industries, acting as the authorized purchasing agents for the Ordnance Department, linters have been purchased by the Government and were produced by the Cotton Seed Crushing Industry in full accordance with these rules, and so contained during the entire period up to the present time.

"6. The plan submitted is further approved because of the interrelationship of the U. S. Food Administration, having complete jurisdiction over and the licensing of the entire cotton seed crushing industry and its obligations to the industry and to the producers of cotton seed, as well as over the collateral interests in the commodity and the War Industries Board, together with the Ordnance Department, acting by agreement for all branches of the United States Government and for the Allies, and upon the interrelationship being a moral obligation which, for the preservation of the integrity of the Government, should be preserved.

"7. The plan has the approval of the U. S. Food Administration, the War Service Committees of the Mattress, Felt and Batt Manufacturers, the National Batt Manufacturers and the National Association of Bed Manufacturers, which organizations are in thorough sympathy with the desire for the stabilization of values of the raw material in the interests of the manufacturers and labor employed in the industries using cotton linters commercially.

"Respectfully submitted, Geo. R. James, Chief."

The matter is, therefore, under consideration of the Ordnance Department at this time.

Geo. R. James, Chief Cotton and Cotton Linter Section, War Industries Board. Marjorie Peets, Secretary.

[fol. 93]

EXHIBIT 11 TO PETITION

Modification of Seller's Contract of Sale

This agreement made this thirty-first day of December, 1918, by and between Hartsville Oil Mill, hereinafter called the Seller, and the United States of America, hereinafter called the Buyer, acting by and through the Du Pont American Industries, Inc., its duly authorized agent,

Witnesseth:

Whereas the parties hereto entered into a contract dated Sept. 26, 1918, designated as Seller's Contract of Sale and being Purchase Contract No. 3505 for the purchase of cotton linters for use in the conduct of the war; and

Whereas the conditions have changed since the execution of the said contract, which render it desirable that the same should be modified; and

Whereas the Buyer under said contract has served notice on the Seller that the Buyer would on January 1, 1919, cancel said contract under the provisions contained therein relating to cancellation; and

Whereas a dispute thereupon arose between the Buyer and the Seller as to the right of the Buyer to cancel said contract, the said dispute growing out of the question as to whether or not the war has terminated; and

Whereas a further dispute has arisen between the Buyer and the Seller as to what is the measure of damages provided by said contract for the loss, if any, to the Seller, which would be caused by the cancellation of said contract; and

Whereas contracts similar to the said contract have been entered into by the Buyer with practically all concerns engaged in the crushing of cotton seed and the production of linters, as more particularly appears in said contracts; and

Whereas it is for the best interests of the United States to arrange [fol. 94] for a settlement of said disputes by a modification of said contract, under which modification the Buyer will be required to receive and pay for a less quantity of linters than is provided for by the terms of the contract aforesaid.

Now, therefore, in lieu of cancellation of said contract and in consideration of the premises and the mutual agreements herein contained the said parties have agreed, and by these presents do agree, with each other, to the following modification of the contract aforesaid:

(1) That on and after January 1, 1919, no linters shall be cut under said contract of a lower quality than grade No. 3, as established by agreement on December 31, 1918, between the War Service Committees of the Cottonseed Crushers and the manufacturers of mattresses and batting at a meeting held under the auspices of the Food Administration.

(2) That the Seller under the contract aforesaid shall forthwith furnish to the agent of the Buyer a statement verified by affidavit of the quantity and character of linters, cleaned notes, flues and sweepings, which have not been delivered to and paid for by the Buyer, and which have been cut by the Seller prior to January 1, 1919, and are now on hand.

(3) All linters produced prior to and on hand as of January 1, 1919, of lower grade than grade No. 3, as agreed upon on December 31, 1918, by crushers and mattress manufacturers and complying with specifications of original contract, and all cleaned notes, flues and sweepings shall be inspected and paid for by the Buyer at \$0.0467 per pound; and all linters produced prior to and on hand as of January 1, 1919, of grade No. 3 and better, shall be inspected, taken and paid for by the Buyer at \$6.77 per ton of seed crushed in the production of said linters, the number of tons of seed crushed to be arrived at from the verified records of the Seller.

[fol. 95] Payment for linters, cleaned notes, flues and sweepings, of grade No. 3 and better, produced prior to and on hand as of January 1, 1919, shall be made (where they have been inspected and tagged), within ten (10) days from the date of signing of this agreement by the Seller, and the remaining stock thereof which have not been inspected and tagged, shall be inspected, tagged, and paid for within twenty (20) days after the signing of this agreement by the Seller.

(4) That the Buyer shall receive and pay for all linters cut on and after January 1, 1919, and prior to July 31, 1919, which remain on hand and unsold by the Seller as of July 31, 1919, but the total quantity of such linters shall not exceed 150,000 bales. The quantity of such linters on hand and the method of determining how many bales shall be furnished by the Seller, shall be determined as follows:

On July 31, 1919, the Seller shall furnish the Buyer with a statement, verified by affidavit, of the linters then on hand produced by it, and which have been cut on and after January 1, 1919, and the quantity of such linters which the Seller has on hand shall be added to the quantity of linters cut on and after January 1, 1919, and on hand as of July 31, 1919, by all other Sellers who have entered into contracts similar to the contract aforesaid, said aggregate quantity of linters cut on and after January 1, 1919, and on hand and unsold on July 31, 1919, shall be ascertained as follows:

All Sellers who execute an agreement similar to this agreement shall furnish like verified statements of such linters on hand July 31, 1919, produced by them, and the Buyer and Seller will ascertain from the Census Bureau, Department of Commerce, the quantity of linters cut on and after January 1, 1919, and unsold and on hand by Sellers holding contracts similar to the original contract aforesaid, who do not sign a similar agreement, and said quantities of linters shall be added together. The Seller will be entitled to deliver to the [fol. 96] Buyer, and receive payment therefor, such proportionate

part of the 150,000 bales of linters as the amount the Seller has then on hand bears to the aggregate quantity thus ascertained. Should the total quantity of linters so cut by all said crushers, and on hand and unsold, July 31, 1919, be less than 150,000 bales, then the Buyer will take from the Seller who has signed this agreement and pay for all such linters the Seller has on hand July 31, 1919, so cut and unsold.

(5) Prices at which said linters shall be so taken and paid for by the Buyer are as follows:

- 8½c. per pound for No 1 grade;
- 7c. per pound for No. 2 grade;
- 6c. per pound for No. 3 grade.

These grades were established on December 31, 1918, by agreement between the War Service Committees of the Cotton Seed Crushers and the manufacturers of mattresses and batting, at a meeting held under the auspices of the Food Administration.

The verified statement of Seller furnished to the Buyer showing the quantity of lint on hand as of July 31, 1919, cut by it on and after January 1, 1919, and unsold by it on July 31, 1919, shall be subject to inspection and audit, and payment for such lint shall be made by the Buyer to the Seller as follows:

If all the Sellers having contracts have signed agreements similar to this, payment shall be made within fifteen (15) days after July 31, 1919, provided said linters have been inspected and tagged, or within twenty-five (25) days after July 31, 1919, if they have not been so inspected and tagged; if, however, all Sellers having contracts do not sign agreements similar to this, the payments shall be made within ten (10) days after the information is received from the Census Bureau of the Chamber of Commerce.

(6) It is a part of this agreement that the Buyer shall have the right to require the Seller to store the linters cut prior to January 1, [fol. 97] 1919, purchased by the Buyer from the Seller and paid for. The Seller, where it has space to do so, will store the same at the Buyer's risk and without charge for storage; no insurance to be carried by the Seller. Such lint as is cut after January 1, 1919, and which is deliverable under this contract on July 31, 1919, will be stored by the Seller as provided for herein. The Buyer, however, shall not require the Seller to store such lint after September 1, 1919, except by mutual agreement. The Seller shall be responsible for all lint until accepted and paid for by the Buyer.

The Buyer shall pay the actual cost of preparation for storage and labor, etc., connected therewith, and in addition furnish tarpaulins and sleepers necessary for storing in the open, should the Buyer so desire. Where said lint is stored with any other person than the Seller, the Buyer will pay the charges for such storage, such payments to be made quarterly. The Buyer shall in any event during the storage reimburse the Seller the amount of any increase in premium for insurance carried on the Seller's property directly attributable to increased fire hazard caused by the storage of such lint.

Should the Seller not have space in which to store the lint so purchased and paid for under this contract, the Seller agrees to procure such space at the Buyer's expense and subject to the approval of the Buyer. All cost of removing said lint and storing same on such space so acquired to be paid for by the Buyer.

The obligation of the Seller to provide or secure storage shall be at the option of the Buyer and said lint shall be held subject to the Buyer's demand. The Seller shall, from time to time, report to the Buyer the condition of the linters and the Seller shall take any necessary steps to preserve the linters. Where lint cut prior to January 1, 1919, has been inspected and accepted heretofore, but has not been moved or paid for by the Buyer and has been put in storage other than its own by the Seller and payment has to be made for such [fol. 98] storage to others than the Seller, the Buyer will pay such actual storage charges, including the labor connected therewith, and the expense of hauling.

Upon the execution of this agreement, and upon compliance with its terms by the Buyer, the Seller releases the Buyer from any and all claims or demands in law or in equity arising or growing out of any change, modification or interruption in purchases, deliveries and/or quantities of linters prescribed in the Seller's Contract of Sale above referred to.

The Du Pont American Industries, Inc., acts herein solely as the Agent of the Buyer under direction of the Ordnance Department and of the Secretary of War and no individual liability is assumed by the Agent by reason of anything herein contained.

In witness whereof the parties hereto have caused this agreement to be executed, in triplicate, by their respective officers, duly authorized, the day and year first above written.

United States of America, by Du Pont American Industries, Inc. (Buyer), per M. E. Woodson. (Seller) Hartwell Oil Mill, by J. J. Lawton, Pres. & Treas.

Approved as to form and substance:

(Sig.) R. P. Lamont, Colonel, Ord. Dept., U. S. A., Contracting Officer. (Sig.) B. Crowell, Asst. Secretary of War.

[fol. 99] II. GENERAL TRAVERSE—Filed July 28, 1923

And now comes the Attorney General, on behalf of the United States, and answering the petition of the claimant herein, denies each and every allegation therein contained; and asks judgment that the petition be dismissed.

Robert H. Lovett, Assistant Attorney General.

III. ARGUMENT AND SUBMISSION

On April 22 and 23, 1925, this case was argued and submitted on merits by Messrs. Christie Benet and Wade H. Ellis, for the plaintiff, and by Mr. Roscoe R. Koch, for the defendant.

[fol. 100] IV. Findings of Fact, Conclusion of Law, and Memorandum—Filed May 11, 1925

This case having been heard by the Court of Claims, the Court, upon the evidence, makes the following

FINDINGS OF FACT

I

On March 23, 1923, the Senate of the United States passed a resolution numbered 448, referring Senate bill numbered 4479, entitled, "A Bill for the Relief of Rose City Cotton Oil Mill and Others," to the Court of Claims, under the provisions of the act of Congress of March 3, 1911, designated as the Judicial Code. Plaintiff is one of the two hundred and eighty-five claimants named in said bill. Copies of said resolution and said bill are attached to the petition as Exhibits 1 and 2, and made a part hereof by reference.

II

Plaintiff is a corporation of the State of South Carolina with its principal office in the city of Hartsville, in said State; is engaged in the manufacture of derivative products of cottonseed, namely, cottonseed oil, cottonseed meal, cottonseed hulls, and linters, and has been so engaged at all times since 1909. Plaintiff has at all times borne true allegiance to the Government of the United States and has never voluntarily aided, abetted or given encouragement to rebellion against the United States, and is the sole owner of the claim presented in its petition; and no assignment or transfer of such claim or part thereof or interest therein has been made.

III

On April 6, 1917, Congress by joint resolution declared that a state of war existed between the United States and the Imperial German Government, and on December 7, 1917, by joint resolution, declared that a state of war existed between the United States and the Imperial and Royal Austro-Hungarian Government. Subsequent to the date first above named the demand for linters for munition purposes was very greatly increased due to war activities.

IV

On or about July 28, 1917, the War Industries Board was organized under the provisions of an act of Congress approved August 22, 1916; and on March 4, 1918, the President of the United States, by virtue of enabling statutes theretofore enacted, reorganized the War Industries Board, and by letter of that date addressed to Bernard M. Baruch outlined the functions constitution and action of said reorganized board, and appointed Bernard M. Baruch as chairman. Bernard M. Baruch accepted said appointment and continued to act as chairman until said board was disbanded and ceased to function on or about December 21, 1918.

V

On August 10, 1917, the President of the United States, by virtue of an act of Congress of even date, commonly known and designated as the Food and Fuel Control Act (Pub. Act. No. 41, 65th Cong.), issued an Executive order or proclamation organizing the United States Food Administration and appointed Herbert Hoover as United States Food Administrator. Herbert Hoover accepted such appointment and continued to act as such Food Administrator until said Food Administration ceased to function and was disbanded, on or about May 31, 1919. A copy of said Executive order or proclamation is attached to the petition as Exhibit 3, and made a part hereof by reference.

VI

On October 8, 1917, the President of the United States, acting under the authority conferred upon him by the said Food and Fuel Control Act, issued an Executive order or proclamation placing under license control of the United States Food Administration all dealers in cottonseed and manufacturers of cottonseed products, including this plaintiff. Plaintiff subsequently applied for and received a license to operate its plant from the United States Food Administration, numbered G-12588, dated November 1, 1917, which provided that the same should be revoked upon the failure, neglect, or refusal of plaintiff to comply at all times with any and all orders, rules and regulations of the said Food Administration. Plaintiff complied at all times with each and every one of said orders, rules, and regulations, and operated its plant under said license and by sufferance of said Food Administration. A copy of the Executive order or proclamation organizing the United States Food Administration is attached to the petition as Exhibit 4, and made a part hereof by reference.

VII

On March 14, 1918, the President of the United States, by virtue of enabling statutes theretofore enacted, appointed a Price-Fixing Committee to advise upon the basic price of war materials and neces-

sary commodities. Said Price-Fixing Committee, on or before May 2, 1918, approved the price of \$0.0467 per pound for linters, as theretofore agreed upon between the Cotton and Cotton Products Section of the War Industries Board and the cottonseed oil mills.

[fol. 102]

VIII

On April 4, 1918, the War Industries Board formed a special section, designated as the Cotton and Cotton Products Section, to deal with linters, and appointed George R. James as chief of said section. On May 2, 1918, the said section, acting in accordance with the agreement referred to in Finding VII, fixed the price of all linters during the period from May 2, 1918, to July 31, 1919, at \$0.0467 per pound f. o. b. point of shipment. The plaintiff was required during said period to cut a minimum of 145 pounds of linters from every ton of seed crushed. The plaintiff subsequently entered into a contract with the United States with respect to linters which it was to furnish to the Government, and said contract established the price which was to be paid for linters.

IX

After the outbreak of the World War and during the period prior to May 2, 1918, plaintiff produced and sold on the open market mattress and munition-type linters, but during the period from May 2, 1918, to July 31, 1919, the plaintiff and other cottonseed crushers produced and sold only to the Du Pont American Industries, Inc., sole purchasing agents of the United States, linters. This was done in accordance with the terms and provisions of contracts in writing entered between the plaintiff and the United States.

X

Prior to August 28, 1918, the Du Pont American Industries, Inc., acted as the sole purchasing agents of the United States, its allies, and associates in the World War, under an informal agreement with the Ordnance Department of the United States Army. On said date, said informal agreement was reduced to writing, and the said agents undertook for a consideration to purchase all linters produced in the United States during the period ending July 31, 1919, and did so purchase from plaintiff. A copy of the written agreement between the Du Pont American Industries, Inc., and the Government of the United States is attached to the petition as Exhibit 6 and made a part hereof by reference.

XI

On September 7, 1918, the United States Food Administration, acting for and on behalf of the Government of the United States, issued its Circular No. 49, a copy of which is attached to the petition

as Exhibit 8 and made a part hereof by reference. The said Food Administration fixed the price which plaintiff and all other cottonseed crushers were to pay for cottonseed; the price at which plaintiff and all other cottonseed crushers were to sell cottonseed oil, cottonseed meal, and cottonseed hulls; the maximum freight allowance, the maximum operating cost per ton of seed crushed; and the maximum profit per ton of cottonseed crushed and converted, to apply for the season ending July 31, 1919. This schedule of [fol. 103] prices fixed by the United States through its agencies, the Food Administration and the War Industries Board, and affecting the prices of cottonseed and the crushing of the same and the disposition of the products thereof, was known and spoken of as the stabilization scheme of the Food Administration. Plaintiff had no voice in fixing the price to be paid for the cottonseed, nor in the fixing of the price of derivative products, nor in the freight allowance, nor in the operating costs and profit. Plaintiff complied at all times with all of the provisions of said circular.

XII

On or about September 28, 1918, the du Pont American Industries, Inc., acting for and on behalf of the Government of the United States, sent to plaintiff a printed form of contract with directions to execute and return the same. Said contract covered the purchase of all linters then in possession of plaintiff and all linters to be produced by it during the season ending July 31, 1919, and named the price of \$0.0467 per pound. Plaintiff protested as to the cancellation clause contained in the said contract to George R. James, Chief of the Cotton and Cotton Products Section of the War Industries Board. George R. James advised plaintiff to execute the contract as written, stating that he would attempt to have the cancellation clause therein stricken out in order to have the written contract conform with previous understanding. Plaintiff thereupon executed said contract, and carried out all the terms thereof and instructions of the Government with reference thereto. The said James had no connection with the Ordnance Department, and had no authority to act for it, and was not a party to the contract. A copy of said contract is attached to the petition as Exhibit 7 and made a part thereof by reference.

XIII

The Government, in accordance with the contract of September 26, 1918, paid for all of the munition linters produced by the plaintiff up to and including December 31, 1918, when the contract was terminated by mutual agreement, and a settlement contract executed by the parties as hereinafter stated.

XIV

On November 11, 1918, an armistice was duly signed between the Government of the United States, its allies and associates in the

World War, on the one hand, and the Imperial German Government and its associates, on the other hand, whereby hostilities were suspended for a period of 90 days, and hostilities were never thereafter resumed.

XV

Thereafter, on November 28, 1918, the plaintiff and all the other cottonseed-oil mills received a telegram from Mr. George R. James, chief of the Cotton and Cotton Linters Section of the War Industries Board, after consultation with representatives of the Ordnance [fol. 104] Department and Du Pont American Industries, Inc. Said telegram was in words and figures as follows:

"You are requested to notify all of your cottonseed-oil mills to discontinue the cutting of munition linters and to reduce the cut to 75 pounds or less at the earliest possible moment. When reduction in cut is begun, an accurate record of seed crushed and linters produced should be made and preserved pending definite and final arrangement for the discharging of all obligations of the Government linter pool to the mills and the removal of all rules and restrictions now in force. This request is made to avoid as much as possible an obvious economic waste, and is at the suggestion of officials of the Ordnance Department. It is hoped that a prompt and definite plan for the settlement can be offered in a few days."

Plaintiff complied with said request and thereafter produced only linters of the specified type.

XVI

At or about the time of said notice of November 28, 1918, plaintiff and other cottonseed crushers also received notice from the Cotton and Cotton Products Section of the War Industries Board, acting for the Government of the United States, that definite and final arrangements for the discharge of all obligations of the Government to the plaintiff and the other cottonseed crushers would be made and that a prompt and definite settlement would shortly be offered. After a conference with representatives of the Government on December 10, 1918, a Linter Committee of the Interstate Cotton Seed Crushers' Association, acting for and on behalf of this plaintiff and other cottonseed crushers, submitted a final offer of settlement to the representatives of the Government for the adjustment of the obligations of the Government under the said contract, which offer of settlement provided that the United States would take up and pay for all linters on hand as of that date, and would also take up and pay for all linters to be produced thereafter to July 31, 1919, at a price which would net the producers \$5.77 per ton of seed manufactured for the linters from such seed. Said offer was approved by the War Industries Board and the United States Food Administration. Copies of said offer and approvals are attached to the petition as Exhibits 9 and 10 and made a part hereof by reference. Said offer

of compromise was rejected by the Ordnance Department, the other party of the contract

XVII

On or about December 21, 1918, the War Industries Board ceased to function, and the Linter Committee, representing this plaintiff and other cottonseed crushers, were notified that all negotiations relative to the settlement of the obligations of the Government under the said contract must in the future be carried on with the Ordnance Department of the United States. On December 30, 1918, a final conference was held regarding the adjustment and settlement of the obligations of the Government to the cottonseed crushers in Washington between the Linter Committee and the representatives of the Ordnance Department, and a final determination between the parties was arrived at.

[fol. 105]

XVIII

On December 30, 1918, the officers representing the Government in final conference with the Linter Committee, notified the cottonseed crushers and this plaintiff through said Linter Committee that the Government would settle its obligations to the cottonseed crushers only by taking what linters were on hand, inspected, and tagged, amounting to about 270,000 bales, and would take only a part of the linters thereafter produced by the crushers from January 1, 1919, to July 31, 1919, not to exceed 150,000 bales, if so much remained on hand unsold at that date, the amount taken to be prorated among the mills.

At said time said officials representing the Government notified the cottonseed crushers and this plaintiff that unless they accepted such offer above referred to within one hour from the time it was made, or by 7 o'clock p. m. of the same day, that the Government of the United States would breach the contract of September 26, 1918, would refuse to accept or pay for any linters whatever, either those on hand, accepted, inspected, and tagged or thereafter to be produced, and that plaintiff and other cotton seed crushers could seek their remedy in the courts.

XIX

On December 30, 1918, at the time the Government officials made a final statement to the Linter Committee of what they would do, there were numerous cottonseed crushers, as well as bankers, farmers, and others interested in the cottonseed-crushing industry, present in Washington awaiting the outcome of the conference with the officials of the Government.

At 7 o'clock that evening the plaintiff and other cottonseed crushers, preserving their protest against the Government's interpretation of the terms of the contract and the position taken by the Government officials based thereon, notified the officials of the Govern-

ment that the cottonseed crushers yielded to the demand of the Government officials and would accede to the requirement of modification of "Seller's Contract of Sale."

XX

On December 31, 1918, plaintiff and other cottonseed crushers received notice from the Ordnance Department of the Army by telegram that the contract of September 26, 1918, was canceled. This telegram was in the following words and figures:

"Washington, D. C., December 30, 1918.

"Your contract for linters with Du Pont American Industries, Agent for United States Ordnance Department, is cancelled. Your committee has tentatively agreed upon a form of settlement contract. Reply Major Hawkins, Contract Section, Procurement Division."

On January 2, 1919, the plaintiff and other cottonseed crushers received from the Du Pont American Industries, Inc., sole purchasing agents of the United States, a printed form of settlement contract [fol. 106] tract embodying the verbal agreement between the representatives of the crushers and the Ordnance Department of December 30, 1918. Accompanying said printed contract was a copy of a letter written by the Ordnance Department to the Du Pont American Industries, Inc., stating inter alia that—

"8. If any producer declines to execute such instrument, the Ordnance Department will authorize you to decline to accept from such producer any linters whatever, and the United States will reimburse you for any proper expenditures and costs incurred or resulting by reason of such action on your part."

This letter, including the paragraph above quoted, was prepared by representatives of the government and counsel for the plaintiff and other crushers acting jointly. Paragraph 8 was inserted at the request of and with the consent of the counsel for the crushers, who desired the same settlement to be made by all the crushers, so that none of the crushers would be in a position to get a more favorable settlement, or settlements differing from those that the crushers would get who were represented by the crushers committee and by its counsel. Under date of December 31, 1918, the plaintiff and defendant, by its agent, Du Pont American Industries, Inc., executed in writing a settlement contract which appears at page 93 of the record and is made a part hereof by reference, and which recites inter alia the following preamble:

"Whereas the parties hereto entered into a contract dated September 26, 1918, designated as Seller's Contract of Sale and being Purchase Contract No. 3505 for the purchase of cotton linters for use in the conduct of war; and

"Whereas the conditions have changed since the execution of the said contract, which render it desirable that the same should be modified; and

"Whereas the buyer under said contract has served notice on the seller that the buyer would on January 1, 1919, cancel said contract under the provisions contained therein relating to cancellation; and

"Whereas a dispute thereupon arose between the buyer and the seller as to the right of the buyer to cancel said contract, the said dispute growing out of the question as to whether or not the war has terminated; and

"Whereas a further dispute has arisen between the buyer and the seller as to what is the measure of damages provided by said contract for the loss, if any, to the seller, which would be caused by the cancellation of said contract; and

"Whereas contracts similar to the said contract have been entered into by the buyer with practically all concerns engaged in the crushing of cottonseed and the production of linters, as more particularly appears in said contract; and

"Whereas it is for the best interests of the United States to arrange for a settlement of said disputes by a modification of said contract, under which modification the buyer will be required to receive and pay for a less quantity of linters than is provided for by the terms of the contract aforesaid.

"Now, therefore, in lieu of cancellation of said contract and in consideration of the premises and the mutual agreements herein contained the said parties have agreed, and by these presents do agree, [fol. 107] with each other, to the following modification of the contract aforesaid."

Said contract provides for changes in the quantity of linters to be produced by plaintiff and purchased by the United States, and the prices to be paid therefor, and concludes with the following release to the Du Pont American Industries, Inc., the duly authorized agent of the United States:

"Upon the execution of this agreement, and upon compliance with its terms by the buyers, the seller releases the buyer from any and all claims or demands in law or in equity arising or growing out of any change, modification, or interruption in purchases, deliveries, and/or quantities of linters prescribed in the Seller's Contract of Sale above referred to."

All the other cottonseed crushers mentioned in Senate Bill No. 4479 executed contracts as of the same date, of the same effect and import, and containing the foregoing provisions.

Said contract was approved and signed also by Col. R. P. Lamont, contracting officer, and by Hon. B. Crowell, Assistant Secretary of War. The following memorandum was on January 2, 1919, signed respectively by Senator Benet, counsel for the plaintiff, and by Major Hawkins and Major Gelshenen:

"I am familiar with the settlement described under date of January 2, by R. P. Lamont, Colonel, Ordnance Department, regarding linters, and am able to state that this settlement is one which would be approved by Mr. B. M. Baruch, chairman of the War Industries Board, and by Mr. George R. James, chairman of the Linters Section, War Industries Board, both of whom are now out of the city and not expected to return for some time."

XXI

Plaintiff and other cottonseed crushers continued during the period from January 1, 1919, to May 31, 1919, to manufacture mattress-type linters in accordance with the terms of the settlement contract. No protest was, at any time, made by the plaintiff or any other crushers as to the signing of the settlement agreement of December 31, 1918, until after May 31, 1919, when an attempt was made before the Board of Contract Adjustment of the War Department to set aside the settlement agreement. On June 29, 1919, the plaintiff and the other crushers filed their claims with said board. The board denied the claimants relief. On appeal, the Secretary of War affirmed the action of the board.

XXII

The plaintiff produced from seed crushed during the period from January 1, 1919, to and including July 31, 1919, certain linters over and above those taken and paid for by the United States, and expended certain storage charges upon linters produced during said period, for which it has not been paid by the United States. The contract did not provide that storage charges should be paid for by the United States, but on the contrary provided that "the Seller, where it has space to do so, will store the same at buyer's risk and without charge for storage." The plaintiff crushed during the [fol. 108] period January 1, 1919, to August 1, 1919, 10,180 tons of linters, at \$6.77 per ton; this amounts to the sum of \$68,918.60. The plaintiff claims for storage charges the sum of \$1,955.50. The United States paid the plaintiff the sum of \$62,193.80, and the plaintiff received for linters sold to others the sum of \$757.35, making in all the sum of \$62,951.15. The amount paid the plaintiff was its proportional share under the contract of December 31, 1918. The amount unpaid is the sum of \$5,967.45.

XXIII

Plaintiff and other cottonseed crushers were under the orders and regulations of the Food Administration to maintain the price of cottonseed and cottonseed products theretofore fixed by the Food Administration, and to continue the manufacture of such products for the entire crop year of 1918-19. The production of linters is a necessary part of the manufacturing process of extracting oil and other valuable contents from cottonseed. Linters can not be bought by the crushers as a raw material, but are purchased as a part of and

attached to the cottonseed. The crushing of cottonseed is a seasonal business, due to the fact that seed will not keep, but owing to the high oil content, will, if kept in large quantities for any length of time, heat and spoil.

XXIV

There are no claims, liquidated or unliquidated, existing in favor of the United States against plaintiff which the United States can set off or counterclaim against plaintiff, and there has been no delay or laches by plaintiff in presenting or prosecuting its claim, and the same is not barred by any statute of limitations; and the said claim is in amount and character the same, with respect to the Hartsville Oil Mill, as that mentioned in Senate Bill numbered 4479, entitled "A Bill for Relief of the Rose City Cotton Oil Mill and Others," referred to this court by resolution numbered 448.

CONCLUSION OF LAW

The court decides that it appears to the court upon the facts established that under existing laws and provisions of chapter 7 of the Judicial Code the subject matter of the resolution, under which the claim of the plaintiff is before this court, is such that this court has jurisdiction to render judgment thereon. The court therefore decides as a conclusion of law upon the foregoing findings of fact that the plaintiff is not entitled to recover, and that its petition must be and the same is hereby dismissed. It is adjudged and ordered that the United States recover of and from the plaintiff the cost of printing the record in this case, the same to be taxed and collected by the clerk.

MEMORANDUM OPINION

Both parties to the action request the court to find that the plaintiff could have brought its action under existing law, and that the court take jurisdiction under the proviso of section 151 of the Judicial Code and render judgment in this case. The court, being of [fol. 109] opinion that upon the facts established the subject matter of the resolution under which the claim was referred to this court is such that it has jurisdiction to render judgment, has done so.

The facts are fully set out in the findings. The plaintiff asserts that the execution by it of the settlement contract was an act done under compulsion and coercion, and can not be deemed in law a voluntary act. In other words, the plaintiff charges that the new agreement of December 31, 1918, was executed against its wishes and under the pressure of financial necessity. It now seeks to enforce its rights under the original contract of September 26, 1918, upon the ground that the last contract was executed under circumstances which amounted, in law, to duress. The facts show that soon after the armistice was signed on November 11, 1918, between the United States and Germany, negotiations were begun between the parties with regard to the contract which the plaintiff had with the United States as to the purchase of linters. These negotiations extended

over a period of some weeks, and they were culminated by the parties executing the settlement agreement of December 31, 1918. The Government, on its side, announced to the plaintiff that it would exercise its right of cancellation, which right was provided for in the contract, unless the plaintiff would accept the terms offered it by the Government. The new contract proposed by the Government contained stipulations essentially different from those in the original contract. The plaintiff, with full knowledge of its legal rights, executed the settlement contract and received the amount in full which the Government agreed to pay. It is true that the plaintiff protested against signing the contract, and asserted that it signed it only because it was under the pressure of financial necessity. It signed because it believed that the terms proposed by the Government were the best it could get, and it required money for the conduct of its business, and feared financial disaster if it should refuse to sign. But there was no duress in the legal sense of the word. The plaintiff signed the contract because it believed that it was making the best settlement then obtainable. The officers of the Government had no power to force them. These officers made an offer; they said to the plaintiff, take it or leave it; if you do not take it, we will cancel the contract and you can get your rights and pursue your remedies in the courts. The Government had the right to cancel the contracts, and the plaintiff preferred to waive its rights under the original contract and to execute the settlement contract rather than to go into the courts to assert its rights. The plaintiff exercised its discretion and voluntarily signed the settlement contract. If the plaintiff was intending to rely upon the law, it should have turned down the proposition of the Government and should have then applied to the courts for redress against the action of the Government in canceling the contract. ✓

It is true that in the negotiations leading up to the final settlement it was contended by the plaintiff that the Government had no right to cancel the contract because, as the plaintiff insisted, the armistice was not a termination of the war within the meaning of the contract. It is not material to a decision of this case whether it was or not, for when the plaintiff executed the settlement contract it waived that question, together with all others which might have [fol. 110] arisen if it had brought suit upon the cancellation of the original contract. ✓

The Government did cancel the contract by its telegram of December 30, 1918, and the plaintiff could then have pursued its remedies, if it had any, in the courts. Instead of doing that the plaintiff with full knowledge of all the circumstances executed the settlement contract, received the full amount from the Government which the contract provided, and it is now asking that the settlement contract be set aside and that it may now have the right to pursue its remedies under the original contract. In bald terms the plaintiff takes the position that it can take the benefit of the settlement contract, repudiate it, and demand its rights under the original contract and have them enforced. Such a position is not tenable.

The plaintiff's case may be a hard one, but this court possesses no dispensing powers; it can not inquire whether the parties have acted wisely or rashly in respect to any stipulation they may have thought proper to introduce into their agreements. If they are competent to contract within the prudential rules the law has fixed as to parties, and there has been no fraud, circumvention, or illegality in the case, the court is bound to enforce the agreement.

In this case the settlement contract must be enforced; the plaintiff should not have executed it if it thought that by so doing it was depriving itself of its rights under the original contract.

[fol. 111]

V. JUDGMENT—May 11, 1925

At a Court of Claims held in the City of Washington on the 11th day of May, A. D., 1925, judgment was ordered to be entered as follows:

The Court, upon due consideration of the premises, find in favor of the defendant, and do order and adjudge that the plaintiff, as aforesaid, is not entitled to recover any sum in this action of and from the United States; and that the petition herein be and the same hereby is dismissed: And it is further ordered and adjudged that the United States shall have and recover of and from the plaintiff, as aforesaid, the sum of Six hundred and seventy-four dollars and six cents (\$674.06), the cost of printing the record in this court, to be collected by the Clerk, as provided by law.

By the Court.

VI. PETITION FOR APPEAL—Filed July 10, 1925

From the judgment rendered May 11th, 1925, in the above entitled case, the Petitioner, by its Attorneys of Record, on this 10th day of July, 1925, makes application for and gives notice of an appeal to the Supreme Court of the United States.

Benet, Shand & McGowan, Attorneys of Record. Ellis, Harrison, Ferguson & Gary, Don F. Reed, of Counsel.

ORDER ALLOWING APPEAL—July 14, 1925

Ordered: That the above application for appeal be allowed as prayed for.

Edw. K. Campbell, Chief Justice.

[fol. 112] IN COURT OF CLAIMS OF THE UNITED STATES

[Title omitted]

CLERK'S CERTIFICATE

I, F. C. Kleinschmidt, Assistant Clerk Court of Claims, certify that the foregoing are true transcripts of the pleadings in the above-entitled cause; of the argument and submission of case; of the findings of fact, conclusion of law, and memorandum by the court; of the judgment of the court; of the plaintiff's application for, and the allowance of, an appeal to the Supreme Court of the United States.

In testimony whereof I have hereunto set my hand and affixed the seal of said Court at Washington City, this 15th day of July, A. D., 1925.

F. C. Kleinschmidt, Assistant Clerk Court of Claims.
(Seal of Court of Claims.)

[fol. 113] IN SUPREME COURT OF THE UNITED STATES

STATEMENT OF POINTS TO BE RELIED UPON AND DESIGNATION BY APPELLANT OF PARTS OF RECORD TO BE PRINTED—Filed Aug. 4, 1925

The Clerk will please print the record in this case, consisting of approximately 112 printed pages, and containing:

1. Index,
2. Petition,
3. Exhibits to Petition,
4. General Traverse,
5. Statement of Argument and Submission,
6. Findings of Fact,
7. Conclusions of Law,
8. Memorandum of the Court,
9. Judgment,
10. Plaintiff's Application for Appeal,
11. Order Allowing Appeal,
12. Certificate of Clerk.

Benet, Shand & McGowan, Attorneys for Appellant. Don
F. Reed.

912 Palmetto Building, Columbia, S. C.

[fol. 114] Points Relied Upon

1. The appellant, Hartsville Oil Mill of Hartsville, South Carolina, on September 26th, 1918 executed a written contract with the Government of the United States for the sale of the entire produc-

tion of cotton linters for the season 1918-1919 for the use by the government in the manufacture of explosives used in the prosecution of the war. At that time appellant and all other cotton seed oil mills in the south were subject to governmental control and price-fixing, partly by orders of the War Industries Board and partly by orders of the Food Administration. The price-fixing applied not alone to the purchase of raw material, cotton seed, from which linters are made, but to the sale of all the products of cotton seed, its manufacture and the profit allowed thereon. This control continued until May 31, 1919 under license and penalties prescribed by the Food Administration, and a part of this control was the requirement that the appellant and the other cotton seed oil mills should pay \$70.00 basis per ton for every ton of seed offered for sale by the farmers of the south during the entire season beginning August 1, 1918 and ending July 31, 1919.

Under this contract the government was obligated to take all linters produced from August 1, 1918 to July 31, 1919 at the price fixed by the Food Administration and the War Industries Board, and the appellant was not allowed to sell linters at any price to anyone except the United States Government. When the armistice was signed on November 11, 1918, and while the contract was in [fol. 115] full operation, officials of the government, acting under a mistaken and arbitrary interpretation of the legal rights of the government under said contract, insisted that appellant accept a modification of the original contract by which the government would take a part only of the linters agreed to be taken, and in addition would be relieved from further liability upon the entire obligation. Coupled with and as a part of the said offer the officials of the government threatened an immediate, arbitrary and illegal breach of the entire contract if the appellant did not yield and consent to the modification. The appellant at that time, not alone had on hand large amounts of cotton seed linters made in compliance with the contract, and from seed for which the stabilization price as fixed by the War Industries Board and the Food Administration had been paid, and which had been inspected and tagged by agents of the government but not paid for, but relying on the contract and the stabilization scheme of the Food Administration, appellant had made large commitments to farmers and seed buyers for the crop grown but not then marketed which it could not avoid, and on the strength of the contract had incurred heavy financial obligations to banks which it could not meet if the contract with the government were canceled and the stabilization scheme should fail.

The appellant contends that the stabilization scheme would have failed immediately, and that the appellant and the other cotton seed oil mills would have suffered terrific financial losses which they [fol. 116] could not have sustained if the threat to breach the contract had been carried out by the United States Government; and further contends that the agreement under such facts and circumstances to accept the modification of the contract and the subsequent execution of the modification when reduced to writing, both being occasioned solely by the threatened breach and illegal act on the part of the

officials of the government and for which no consideration passed to appellant, was not a voluntary act on its part and is therefore not a bar to recovery by appellant for its expenses and losses resulting from the failure of the government to carry out its original contract.

2. It is inconsistent with the modern theory of duress to assert, as an infallible rule, that the threatened repudiation of contractual obligations made by officers of the government cannot amount to duress.

3. Appellant repudiated the modified contract and brought its action before the War Contract Board of Adjustment prior to the receipt by it of any payments for linters under the modified contract. At no time has appellant indicated its intention to condone the action of the government officials and abide the consequences of signing the modified contract.

4. The Court of Claims erred in holding that the execution of the modified contract, under the existing facts and circumstances, was not an act done under compulsion and coercion and was not to be deemed in law a voluntary act.

[fol. 117] 5. The Court of Claims erred in holding that it was not material to the determination of the appellant's rights to decide whether or not the cessation of hostilities was a termination of the war.

6. The Court of Claims erred in holding that the government had a right to cancel the contract of September 26, 1918, on December 30, 1918.

7. The Court of Claims erred in holding that the government, on December 30, 1918, offered appellant a cancellation under the terms of the original contract, which holding is in direct conflict with the findings of fact.

8. The Court of Claims erred in holding that the appellant exercised its discretion and voluntarily signed the supplemental contract, which holding is in direct conflict with the findings of fact on the subject of coercion and compulsion under which appellant acted.

9. The Court of Claims erred in holding that under the facts and circumstances of the case there was no duress in the legal sense of the word.

10. The Court of Claims erred in holding that the modified contract, made with the government to terminate the previous binding obligation of the government to take all the linters produced to July 31, 1919, could not be set aside except for fraud, circumvention or illegality.

11. The Court of Claims erred in its opinion in disregarding its findings of fact upon which its opinion purported to be based, in this, to-wit, that the Court found as a fact that the appellant in

agreeing to the modified contract, accepted the same under protest [fol. 118] and preserved its protest, and that the subsequent signing was in pursuance of the acquiescence, under protest, in the demands and threats of officers of the government made at a meeting prior to the signing.

12. The Court of Claims erred in its opinion and conclusions of law in that the opinion and conclusions were not based upon or consistent with the findings of fact.

13. The Court of Claims erred in interpreting the doctrine as enunciated in the cases of *Freund vs. U. S.*, 260 U. S. 60; *Hunt vs. U. S.*, 257 U. S. 125; *U. S. vs. Smith*, 256 U. S. 11; *Ward vs. Love County*, 253 U. S. 17; *Swift vs. U. S.*, 111 U. S. 22; *Robertson vs. Frank Bros.*, 132 U. S. 17, and *Snyder vs. Rosenbaum*, 215 U. S. 261.

14. The Court of Claims erred in its interpretation of section 151 of the Judicial Code, in that the Court did not consider and report to the United States Senate the facts in the case and the amount due the appellant, together with such conclusions as would be sufficient to inform the Senate of the nature and character of the demand, either as a claim legal or equitable, or as a gratuity against the United States, and the amount, if any, legally or equitably due from the United States to the appellant.

15. The Court of Claims erred in its interpretation of section 151 of the Judicial Code in that the Court entered judgment dismissing the petition without other or further action.

16. The Court of Claims erred in holding that appellant was not [fols 119 & 120] entitled to recover in the full amount stated in its petition.

Benet, Shand & McGowan, 912 Palmetto Building, Columbia, S. C., Attorneys for Appellant. Don F. Reed. Ellis, Harrison, Ferguson & Gary, Don F. Reed, of Counsel.

Receipt of copy acknowledged. William D. Mitchell, II., Solicitor General, August 4, 1925.

[fol. 121] [File endorsement omitted.]

Endorsed on cover: File No. 31,332. Court of Claims. Term No. 609. Hartsville Oil Mill, appellant, vs. The United States. Filed July 20, 1925. File No. 31,332.